A strategic analysis of Dale of Norway’s possible entry into the English market

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Executive Summary

Dale of Norway is a Norwegian company that produces woollen garments. They operate in several countries across the world; however, their presence in England is minimal. The managers have expressed a wish to examine the possibilities for further expansion into the English market.

The aim of this thesis is to explore the possibilities for Dale of Norway in England. In order to do this, an internal analysis is carried out to evaluate the corporation’s internationalisation capability. Also, an environmental analysis based on secondary data is utilised. Dale of Norway operates in a niche market, hence, few competitors. Nevertheless, seen from a broad perspective, there are many well-established competitors in the sportswear market.

In addition, primary research is conducted to provide valuable insights of the customers’ preferences. The research consist of focus groups and interviews and discovered that there should be made some adjustments to the clothes and prices, so that they would be better suited for English consumers.

The findings led to strategic objectives concerning the English market, following an examination of factors that are critical if Dale of Norway’s export is going to succeed. Furthermore, the thesis explores and evaluates different entry strategies in order to find out which one is most beneficial for Dale of Norway.

Based on the findings in the analyses and research conducted, it can be concluded that there is a potential market for Dale of Norway in England. Finally, a customised marketing mix is recommended to the corporation in order to succeed.
Strategic Overview of IMC Project

Figure 1: Strategic overview of the thesis
Section I: Introduction
1.0 Introduction to the thesis

1.1 Objective of the thesis

The aim of this thesis is to decide if Dale of Norway possesses the qualities required to expand into the English market, and if so, which are the most valuable segments and what the most suitable entry strategy is.

1.2 Research questions

The superior research questions that will be answered in this project are:

1. What is the competitive environment in the English clothing market?

2. What entry barriers might Dale of Norway encounter when exporting to the English market and are they manageable?

3. What is the most appropriate entry strategy?

4. What is Dale of Norway’s target market in England?

5. What kind of marketing mix should Dale of Norway utilise?
2. Background information

The first section of this report will be used as a short introduction to the Norwegian brand Dale of Norway (hereafter referred to as Dale). This is to provide the reader with relevant information about the history of the company, the products and its qualities, the production process, Dale’s current presence in England and some key facts about the Dale Corporation and its objectives.

2.1 History

Peter Jebsen established Dale in 1879. The company is situated in the village of Dale, which is close to the city of Bergen on the Norwegian west coast. All of the high quality knitwear is produced in Norway.

Knitting has always had a strong tradition in Norway and with many years of experience, Dale has high knowledge and expertise in the field. The knitting techniques have been developed and knitwear products are now a vital fabric used to protect against rough weather conditions. Today, Dale is the largest manufacturer of Norwegian knitwear, using different types of quality wool. Dale represents typical Norwegian knitwear with traditional patterns combined with a modern look. They use modern knitting techniques in addition to unique product features and up-to-date colouring, which enables Dale to produce exclusive woollen garments (Dale of Norway, 2011a).

Dale’s clothes are popular in Norway, but have also become attractive for people outside of the Norwegian borders. Dale’s export started after the World War II (Store Norske Leksikon, 2011). To this day, Dale is present in 22 countries in Europe and North America. In addition they have a subsidiary in Vermont, USA (Dale of Norway, 2011b).

2.2 Weatherproof Wool

All of Dale’s products are made of wool, which is described as ”nature’s own high-tech fibre”. Wool has the ability to keep you warm and dry, because it traps air and absorbs moisture. Wool is a renewable material and is a naturally insulating fibre (Dale of Norway, 2011c).
With innovative techniques, Dale has created solutions that make the woollen garments suitable for demanding weather conditions. The wide product range that Dale offers includes wind proof and water repellent products. These two features combined, creates a weatherproof garment (Dale of Norway 2011d).

2.3 Products – The Process
Dale has its whole production – from the making of the wool to the finished sweater – in Dalekvam. This is a long and thorough process. The facts below are taken from Dale’s official webpage (2011e).

**Combing, stretching and spinning**
First, the raw wool is cleaned and goes through a long process of combing and stretching, which makes the wool more durable and the colours brighter. The wool is then spun into yarn, depending on the desired thickness.

**Dying and drying**
The dying process of the yarn takes five hours. It is then dried under regulated temperatures to ensure the stability of the colour.

**Knitting and assembling**
Traditionally, machines have knitted the body, arms and neck separately. The knitted pieces are assembled by sophisticated sewing techniques, for example by the linking – method where the loops are linked together one by one. This makes the sweater look like it is knitted together in one piece.

**Design and product development**
The entire product development team is involved in the making of a new design. Renewing the design patterns, colours, cut and functional details can update the traditional design, without compromising the concept. Dale’s focus on innovation has made them the leading manufacturer of water-repellent wool yarns.
2.4 Product Range
Dale produces knitwear for women, men and kids. Their garments are popular for both people with an active lifestyle and for leisure. The products are divided into sport and tradition. Dale offers a wide range of products (2011f):

**Baselayer**
Dale Baselayer is made from the finest merino wool and is soft to use directly on skin.

**Midlayer**
These garments are made of Dale’s innovative *double layer merino technique*. The soft, light and stretchy quality makes these products perfect as replacements for synthetic fleece, with all the good properties of natural wool.

**Knitshell**
The Knitshell collection by Dale represents a tremendous advance in technical fabrics and is a result of more than three years of extensive research and development. Knitshell is a three-layer system of water repellent Norwegian yarn that is laminated with a windproof membrane and lined with skin-soft flannel. Knitshell is a garment that keeps you warm and comfortable even in the harshest weather conditions.

**Tradition**
The traditionally designed Norwegian knitwear is modernised with technical features and up-to-date design.

2.5 Unique Selling Propositions
The unique selling propositions (USPs) for Dale, is what makes their products and brand stand out amongst other competitors. The USPs give the business a clear competitive edge and consumers a reason for purchasing their products (Interactive Marketing, 2010). These are the main USPs for Dale:

- Dale utilise first class raw materials to create the finest Norwegian knitting.
- Dale have developed many innovative yarns and knitting techniques which enables them to produce sweaters of 100 percent pure wool with comfortable, long lasting and even weatherproof qualities.
The Norwegian patterns along with authentic details as pewter clasps and buttons, hand embroidery or leather elements are all part of Dale’s exclusive designs.

2.6 Orientation to the market

There are four business orientations: production, product, sales and marketing (appendix 1). The ideal business is marketing oriented, selling what the customers want, and the entire value chain strives to satisfy customer needs (Richardson, 2010, p.9). The nature of Dale’s products is adding to existing ideas and designing clothes with traditional Norwegian design. In addition, they are in a niche market. This is why Dale, according to the table suggested by Richardson, is product oriented. Although Dale bases their products on their USPs, a product-oriented business can have a difficult position in order to respond to a changing environment (Richardson, 2010, p.11).

2.7 Current presence in England

Dale is represented by an agent in the Norwegian Store in Keswick, a small town in Cumbria. The majority of the businesses in Keswick are related to tourism, due to the fact that Keswick is a major centre for tourism in Lake District (Keswick, 2010). There is an annual film festival in Keswick attracting many visitors and an annual beer festival that attracts approximately 5000 visitors (Keswick Mountain Festival, 2010).

2.8 Dale of Norway – Corporation

The subsequent information is based on personal communication with the marketing manager of Dale, Arnstein Raunehaug.

2.8.1 Values

The values of Dale include adjectives such as warm, active, quality conscious, traditional and real, and shall be reflected in the corporation as well as in the brand.
2.8.2 Vision
The vision of Dale, quoted by the marketing manager, Arnstein Raunehaug, is: *more than just a sweater.*

2.8.3 Mission
*Dale’s corporate culture and brand shall be perceived as warm, active, quality-conscious, traditional and real.*

2.8.4 Corporate objectives
According to Arnstein Raunehaug, these are the corporate objectives for Dale;

**Short-term objective (2-5 years):**
Increase sales with 10-15 percent a year through existing customers and establishment of own concept stores in Norway and abroad.

**Long-term objective (5-10 years):**
Keep production in Norway.
3.0 Doing business in England

3.1 Cultural Differences
The United Kingdom is a large geographical area and has a diverse culture (Gesteland, 2009, p.281). Since most Norwegians speak English, language is not a great barrier when doing business in England. According to Gesteland, Scandinavians perceive the British culture as “moderately relationship-focused, indirect, hierarchical and mildly polychronic” (2009, p.281). The following dimensions are based on Gesteland’s comparison of the Scandinavian and British business culture.

Relationship-focused
In comparison to the Norwegian culture, relationship is fairly important in British business culture. The British prefer to get to know their partner before they start discussing business.

Indirect
The British has an indirect communication style, which means that they speak in a subtle, polite manner with little use of body language (Gesteland, 2009, p.37). The reason for this communication style is the communicator’s wish to maintain harmony and to avoid embarrassing or offending other people.

Hierarchical
The British culture is formal, structured and organised in hierarchies. This reflects the differences in status and power in the society. Status is an important factor in the British culture. Regional origin, social class, family background and accent are factors that indicate status (Gesteland, 2009, p. 282).

Polychronic
Compared to the Norwegian business culture, the British business culture is moderately polychronic. This dimension refers to time and scheduling. In the UK it is expected that
visitors are on time, but Englishmen might be a few minutes late (Gesteland, 2009, p.282).

The worldwide-acknowledged professor Geert Hofstede has characterised dimensions, in which cultural differences can be identified and compared (Hofstede, 2009 and 2009a). The key findings of the British business culture are:

**Power Distance Index (PDI)**

The term power distance is a way of distinguishing to what extent it is accepted that power is distributed unequally. This means that in cultures with high power distance, there is a greater divide of power between the members of the organisation. As shown in appendix 2, Britain has a moderately higher power distance than the Norwegian business culture, but this difference is not significant.

**Individualism (IDV)**

An individualistic culture is characterised by having loose ties between the individuals. Each person is expected to look after oneself and the closest family, as opposed to collectivism where people are integrated into groups from birth. The UK is a strongly individualistic culture, as illustrated in appendix 2.

**Masculinity (MAS)**

The British business culture is described to be of a masculine character because it is perceived as assertive and competitive (Hofstede, 2009a). In contrast, appendix 2 shows that the Norwegian business culture is less masculine with more caring and modest values.

**Uncertainty Avoidance Index (UAI)**

This dimension refers to the culture’s “tolerance for uncertainty and ambiguity” (Hofstede, 2009a). The UK is positioned on the middle of this scale, not much higher than the Norwegian (appendix 2). This position states that the British culture does not
have a great problem when it comes to dealing with situations that are uncertain, unknown and surprising.

The key factor to keep in mind when doing business across borders is to respect the suggested guideline that says: “the seller adapts to the customer and the visitor respects local customs” (Gesteland, 2009, p.48).
Section II: Methodology: Primary and Secondary Research
4.0 Methodology

Figure 2: Methodology

4.1 Aim and Research Questions

The objective and research questions are outlined in section 1 of the thesis.

4.2 Design

The authors decided to use explorative design as they had little prior knowledge on the specific matter and lacked adequate knowledge of the market. Explorative design is best suited when the primary goal is to explore and get a better insight on the subject as it is concerned with words rather than numbers (Bryman and Bell, 2007, p, 402). To get this insight it is necessary to collect secondary data from reliable sources. In addition, collect primary data for a wide and comprehensive understanding (Gripsrud, Olsson and Silkoset, 2008, p.59). Explorative design is more or less synonymous with qualitative research, seeing as qualitative data is used in analytical description and understanding of connections (Gripsrud, Olsson and Silkoset, 2008, p.98). Qualitative research is based on an inductive view where one uses observations to develop general theories (Gripsrud, Olsson and Silkoset, 2008, p.19).

4.3 Data Collection

To reach the research aim and answer the research questions, the authors have used both secondary and primary data.

4.3.1 Secondary Data Research

Secondary data is information that has been collected by another researcher for other purposes (Bryman and Bell, 2007, p.340). The advantages of secondary data are that it is easy and relatively quick to collect, and expenses may be saved. If the findings are
relevant for your purposes, secondary data is a great way of gathering information (Bryman and Bell, 2007, p.342). There are two types of secondary data: internal and external sources. Internal sources are information you get directly from the organisation. This may be sales figures, information about costs from various activities as marketing, and reports from customer visits and complaints. External sources are information from outside of the organisation, either public sources or standardised surveys made by professional analysis agencies (Gripsrud, Olsson and Silkoset, 2008, p.80). Our internal source, Arnstein Raunehaug, has provided us with beneficial information about Dale’s corporate objectives, market share, product information, and activities. Further on, the external sources the authors utilised are online sources and literature. The authors have also found results from standardised surveys from the market research firm Mintel useful.

4.3.2 Critical Evaluation of Secondary Research
The validity of secondary sources is always a critical subject. One can never be sure that the information is correct because other people have collected it. Another essential limitation is that the researcher is not very familiar with the structure and contours of the data. In addition, the data may be complex (Bryman and Bell, 2007, p.334). The quality may vary between different sources and that is why it is important to always be critical. In cases where the authors have been unsure about the quality, it has been discarded (Gripsrud, Olsson and Silkoset, 2008, p.78).

4.4 Primary Data
In addition to secondary data, the authors have collected primary data. The research has contributed to a deeper and comprehensive understanding of the subject. The two essential ways of collecting primary data is by communications and observations (Gripsrud, Olsson and Silkoset, 2008, p.97). These methods provide both qualitative and quantitative data, however, the authors have chosen a qualitative approach.

The authors have conducted two focus groups in London, and seven in-depth interviews in Leeds. The respondents in the research were chiefly socio-economic groups ABC1
The authors brought samples for the focus groups and the interviews; these can be seen in appendix 17. When collecting primary data, the focus groups and interviews were tape-recorded in order to review the results and get a deeper evaluation (Bryman and Bell, 2007, p.514).

4.4.1 Focus Groups

Focus group is a preferable approach when collecting primary data because “people respond to each other’s views and build up a view out of the interaction that takes place within the group” (Bryman and Bell, 2007, p.510). Therefore the moderator is left with a more realistic insight because the discussion challenges the respondents to think about and revise their views (Bryman and Bell, 2007, p.512).

The authors made contact with the market research company Indiefield to assemble the appropriate respondents for the research. Two focus groups were conducted: one female and one male group. The female group consisted of eight females from 39 to 45 years old. There were eight males in the ages between 35 and 42 years old (appendix 12). All respondents agreed to the following statements:

“I like to wear fashionable clothing”

“In principle, if a woollen garment is particularly attractive and high quality, I would consider spending £70 or more”

The topic guide for both groups is provided in appendix 11, which was followed to the extent it was possible seeing as group discussions may vary dynamically (Bryman and Bell, p.474).

4.4.1.2 Findings

These are the main findings arranged in chronologic order. A complete description of the findings can be found in appendix 13 for the female respondents and appendix 14 for the male respondents.
**Buying behaviour**

**Females:** The female respondents stated fashion as an important factor when buying clothes. It is important that the garments look good on you. The price is also essential and has to reflect the quality. Quality is particularly essential when buying outdoor garments. The preferred materials in warm clothing are cashmere, wool, fleece and cotton.

**Males:** The male respondents agreed that it is important to look respectable; therefore fashion is a highly valued factor. Price is important in order to evaluate the quality of the product and the type of product. Durability is important for warm clothing, and it should be possible to use the clothes at different occasions. The men preferred wool, breathable materials and Gore-Tex.

**Samples**

**Females:** When showing the samples, the female respondents reacted with words such as “tasteful, heavy, scratchy, lovely quality, typical skiwear and Christmas”. The females preferred the plain samples and the ones with natural colours. They liked the weatherproof qualities and thought the clothes looked comfortable. However, they were not particularly fond of the patterns and the clothes were not perceived as very fashionable for their age group.

**Males:** The first impressions from the males were that the clothes looked lovely, warm and cosy, although conservative and not very fashionable. Again, a “Christmas-look” was mentioned. They liked that it looked well made and practical. The fact that the jumpers were heavy gave positive reactions. However, the patterns were perceived as dated, typical 1970s clothing. They would also like to see a wider colour range than only two colours.

**Is there a market for these clothes in England?**

**Females:** Specialists shops could sell these clothes in England. They pointed out that the clothes were most suitable for the winter season, especially prior to Christmas. A respondent thought that the “snowflake pattern” might be narrowing the market.

**Males:** It could be a market. There might be a bigger market for women than men.
**Design**

**Females:** The women wanted more natural and plain colours for woollen garments. It was also mentioned that the patterns were more appealing to older consumers. The feedback on the technical features was positive.

**Males:** There were some negative reactions to the pattern, they felt it looked dated and would only appeal to certain people. However, the windproof and water repellent qualities were perceived as highly beneficial.

**Country of origin**

The respondents said that the garments should be of good quality because of the extreme weather in Norway.

**Situation of use**

**Females:** They would use the clothes outdoor. However, the majority would prefer using a jacket on top.

**Males:** The men, on the other hand, said that they could wear them as a substitute for a coat. They could use them when playing golf, watching football, going to the park and outdoor activities in general.

**Competitors**

**Females:** The chief competitors mentioned were department stores and ski-shops. They pointed out that Dale is in a niche market. Other competitors within skiwear and outdoor activities were The North Face and Snow & Rock.

**Males:** They emphasised The North Face and Timberland as main competitors. Barber, Henry Lloyd and Pringle of Scotland were also mentioned.

**Price**

**Females:** In general, the females believed that the garments were worth approximately 100 GBP. Their reactions on the actual price, was that it was expensive and less appealing.
Males: The men also thought the products were worth 80-100 GBP and some could be willing to pay up to 120 GBP. However, they perceived the actual price as very expensive and they would not use or pay that much for a woollen garment.

**Location**

**Suitable location in London**

Females: The female respondents thought that central London would be an ideal location for Dale. This is due to the high price and the many tourists who visit London for shopping. Harrods, Covent Garden and Sloane Square were mentioned as suitable places. The females also had positive reactions on Regent Street and Knightsbridge as appropriate locations. Also, they thought that Scotland would be an ideal place for these kinds of clothes.

Males: The men mentioned locations in London, but also on the countryside such as Lake District. In London, places like Harvey Nichols, John Lewis, Harrods, Covent Garden and Kensington High Street could be of interest. The male respondents thought that Regent Street or Sloane Square would be appropriate places for Dale, as well as Bond Street, Marble Arch, Liberty and Lilywhites.

**Location for concept store in London**

Females: The female respondents had positive reactions to a concept store in central London. The brand would be more visible in a concept store than in a department store, and it would also be easier to target the segment.

Males: The men thought it could be a difficult time for entering the market with expensive products, due to the recession. However, consumers are often triggered by new brands. A concept store might work for tourists.

**Potential customers**

Females: The potential customers would have to be wealthy and have a high disposable income. The clothes would appeal to outdoor people who enjoy skiing or hiking, and also business and pleasure tourists. The clothes would fit older people, for example people over 60 years old. The respondents felt that the market is bigger for men, rather than women.
**Males**: The products are most suitable for people in the ages between 30-60 years old. Due to the price, the potential customer has a high income and/or has to be convinced about design, quality and features. It could also appeal to European, American and Japanese tourists. However, they pointed out that tourists might prefer British and Scottish brands when coming to England to shop. The clothes were perceived as more appealing for female customers, and the men could buy Dale clothes to their wives.

**Additional comments**

**Females**: The women thought it was important for Dale to have a clear message to communicate. They also thought that Lake District and Wales could be profitable markets. Mail order was mentioned as an attractive distribution channel.

**Males**: The men pointed out that they would prefer a full zip and pockets on the products. They also believed that sweaters with a plainer pattern would sell more. Online shopping was mentioned as an attractive distribution channel, in addition to a store.

### 4.4.2 Interviews

In-depth interviews are carried out when personal experience and opinions are of interest (Bryman and Bell, 2007, p.507). It was essential to have interviews in addition to focus groups to gather individual information and to avoid the possibility of group influence (Gripsrud, Olsson and Silkoset, 2008, p.109). The respondents for this research were directors at Leeds Metropolitan University, three females and four males and they were primarily 45-60 years old. A complete report of the interviews can be found in appendix 15.

### 4.4.2.1 Findings

**Buying Behaviour**

**Females**: The female respondents said that fashion was relatively important to them when buying clothes. They like to keep up with the trends and do not want to look old-fashioned. When it comes to price it should correlate with the quality. In general, they are willing to pay somewhat more for a high quality garment if it is for a special occasion. Winter clothes should keep you warm, but also be flexible in situations where
you go in/out, e.g. when going to work, shopping etc. Comfort was mentioned as well. Another important factor for several of the respondents was how you have to care for the garments. They should be easy to look after. All the respondents said that they preferred their winter clothes made of wool. A wool/cotton mix, natural fibres in general or fleece were also some of the fabrics they favoured.

**Males:** The male respondents all agreed that they would like to look smart and not outdated. They would rather pay for quality than something that would not last. The most important factors when buying winter clothes were quality, design and functionality. It was mentioned that they liked wearing layers and it was therefore important that the clothing was light-weight. They preferred buying natural fabrics like wool and cashmere.

### Initial Reactions

**Females:** The general reaction among the women was that they thought the clothes were lovely. However, the youngest respondent did not think it was fashionable.

**Males:** The initial reactions were that the clothes looked well designed. However, the majority of the male respondents did not like the badge on the clothes. It was also mentioned that the colours were too conservative.

### Market Potential

All the respondents agreed that there could be a market for Dale in England. It would be a niche store for active, outdoorsy people. However, the market potential would depend on the price they are sold for. They thought that the target group for Dale would be middle-aged men and women with a high disposable income.

### Design

**Females:** The majority of the respondents liked the pattern on the clothes, as long as it is not too much. Among the women there was no unison answer to what colours they preferred, but brighter, more feminine colours were mentioned. The fact that the garments are weatherproof was a big plus. They thought that the garments looked expensive, and that for high priced products such as these, weatherproof qualities were very important.
Males: The men liked the fit of the clothes, especially the women’s clothes which are nicely shaped. However, several of the men stated that they were not into the patterns. In addition, it was mentioned that the colours of the sweaters were too conservative, and that Dale should focus more on bright colours. They were positive to the fact that the sweaters are water-repellent and windproof. This would make them willing to pay more.

Country of Origin
There seemed to be a general agreement among the male and female respondents that “made in Norway” meant quality. The garments were expected to be well-made for the situation of use, since Norway is known for its cold weather. They also associated Norway with being expensive and expected a high price on the garments.

Situation of Use
Females: The women looked at the garments as something to put on after e.g. a day of skiing. One of the respondents also said that she would wear it on a chilly spring/summer day.
Males: They all agreed that they would use the sweaters for outdoor activities e.g. hiking and watching football. It was mentioned that farmers should be targeted.

Competitors
Competitors mentioned were Spyder, Helly Hansen, The North Face, Berghaus, Reggata and Edinburgh Woolshop. They thought that fleece was cheaper and less traditional, and therefore not a competitor.

Price
Females: When asked about what they thought the price would be, the respondents guessed that the garments would be expensive. They were not surprised when they heard the actual price, but most of them would not pay that much. One respondent said that she was willing to pay 150 GBP or more if the garment was weatherproof. The last two respondents would buy it if it was cheaper. It is relevant to mention that the latter do not seem to fit the target group as well as the one willing to pay 150 GBP.
**Males:** All the male respondents expected to pay more than 100 GBP for the garments. When they heard the initial price they were not surprised. This was due to the fact that some of the sweaters were weatherproof and that the production takes place in Norway.

**Location**

**Females:** Department stores, airports and upmarket shopping areas were mentioned, as well as locations where people go hiking, e.g. Harrogate. In London they believed that Regent Street was a good location, and maybe the “posh end” of Oxford Street (Marble Arch). Carnaby Street was perceived to be too urban and trendy for Dale and none of the respondents found it suitable. They were positive to the idea of a concept store.

**Males:** The male respondents found it suitable for Dale to sell their clothing in upper-market department stores such as House of Fraser, Selfridges and Harvey Nichols. The reactions to the opening of a concept store were positive. The location of this store should be in central London where people with disposable income shop. The respondents also found other parts of England suitable for selling Dale’s clothes, e.g. the Trafford centre in Manchester, and Victoria quarter in Leeds. It was also mentioned that the garments would sell better in Northern England because the weather is rougher there.

**Customers**

**Female:** The female respondents thought that the customers of the concept store would be active people with a disposable income, white, middle-class / upper middle-class.

**Males:** The males thought that the customers of the concept store would be 30+; financially well positioned, tourists as well as people residing in London.

**4.4.3 Conclusions of findings**

The focus groups and interviews provided some different results. The reason for this is explained in chapter 4.5 concerning critical evaluation of primary data. Due to diverse results, it is challenging to compare the findings, but a brief summary will give the reader a valuable overview.

Based on the findings in the primary research, it can be concluded that quality and price are vital factors that must reflect one another. Also, quality is an essential aspect for
outdoor clothing. Regarding the country of origin, the overall reactions to Norwegian products were quality and expertise within the field of warm clothing, due to the extreme Norwegian weather. In addition, the respondents related Norwegian clothes with high prices.

The first impressions of the samples were positive. However, the respondents gave the authors the impression that the patterns were less appealing and not perceived as highly fashionable. All the respondents reacted positively to the technical features: windproof and water repellent materials. These were regarded as new and unfamiliar features that were relevant to the English climate. Therefore, it was mentioned that it would be vital for Dale to have a clear message in the advertisement, based on USPs.

The initial reactions to situations of use were that the products highly depend on the weather. The respondents would use the sweaters in outdoor activities. Some preferred using a jacket on top, while others considered it to be outerwear. One explanation to this may be because none of the female samples had a combination of full zip, pockets and windproof lining. In addition, the authors believe that it is not necessarily considered as outerwear due to lack of understanding of wool and its qualities.

Most of the respondents were not surprised by the high price, mostly because of the Norwegian production. Especially the respondents from the focus groups regarded this as a very high price. The major part of the respondents stated that Dale’s products should be targeted at older consumers with a high disposable income and who value outdoor activities.

The respondents thought that central London would be the most suitable location for Dale. The reactions to opening a concept store were positive. The preferred locations were Knightsbridge, Covent Garden, Regent Street and Sloane Square.

### 4.4.4 Critical Evaluation of Primary Data

One disadvantage is that the respondents who participated might be different from the population of interest. It might also be hard to generalise the population due to the small
number of respondents (Bryman and Bell, 2007, p.423). In focus groups, domineering people can influence the rest of the group and this might weaken the validity of the research (Bryman and Bell, 2007, p.525). Most important is the group dynamic and also how well the moderator communicates with the respondents (Gripsrud, Olsson and Silkoset, 2008, p.101).

There were some disadvantages regarding the female focus group. One respondent acted somewhat dominant which weakened the group dynamics; hence, the quality of the focus group was reduced. She often spoke first and her negative attitude might have affected the other respondents. The moderator gave the respondents more time to think, and sometimes repeated the questions. Furthermore, another disadvantage was the physical environment where the focus groups were conducted. The respondents sat rather far away from one another, which made it hard to keep to one discussion as the women tended to talk in two small groups. The table provided in the middle was very small and no one could reach it when sitting down. Despite this, the moderator had a clear focus and quickly proceeded to the topic guide when necessary.

Regarding the interviews, there also were some disadvantages. The respondents were collected chiefly because of their job title as “Directors” at Leeds Metropolitan University. They did not have to agree on the two statements provided above, which the respondents in the focus group did. The authors found that the respondents from the interviews gave detailed answers which were helpful in analysing the research. There should have been four female respondents, but the authors were not able to recruit one last person. However, the authors believe that the interviews provided valuable insights. Moreover, the timing of the interviews could have been more appropriate. This was due to the warm April weather. The authors believe that this might have affected the results because Dale’s products can be perceived as seasonal.

4.5 Reliability and Validity

Validity is about how well you measure what you intend to evaluate, and reliability concerns on how trustworthy the research is (Gripsrud, Olsson and Silkoset, 2008, p.72). In determining the reliability and validity in relation to qualitative research
Lincoln and Cuba propose four criteria: credibility, transferability, dependability and conformability (Bryman and Bell, 2007, p.411).

First, credibility of the findings refers to whether the respondents’ perceptions correlate with others in that social world (Bryman and Bell, 2007, p.411). The respondents for the focus groups were carefully selected by a market research agency and were considered being a potential target market for Dale. However, one disadvantage was that the authors did not emphasise the importance of people being interested in outdoor activities when recruiting respondents. The criterion for respondents for the interviews was based upon professional title and for that reason having a relatively high income and is in the relevant socio-economic group.

Second, transferability concerns the question whether the findings can be generalised across social settings. Surely it is not feasible to conduct researches of whole populations and in qualitative researches the depth is more important than size (Bryman and Bell, 2007, p.413). It is a relatively small size in this research due to time and costs. However, the strength of qualitative research is the carefully selected respondents which add depth. Hence, the overall quality of the research is good.

Third, dependability is parallel to reliability in quantitative research and refers to the degree in which the research is replicable. This relates to the question whether the same results would occur if the research were conducted again. It is a difficult criterion in qualitative research because of the social setting and environment it is conducted in (Bryman and Bell, 2007, p.410). Evidently, the results would not be exactly the same. Bearing in mind that Dale’s clothes are woollen garments, a research conducted in the winter months would perhaps provide different results.

Finally, conformability refers to the fact that the members of the research team remain objective in the conduct of the research and when analysing the findings (Bryman and Bell, 2007, p.414). On this matter the authors have acted in good faith to ensure an accurate research.
Section III: Internal and External analysis; SWOT
5.0 Internal Analysis

5.1 The Value Chain

Porter’s value chain is a tool used in order to increase customer value (Kotler and Keller, 2006, p.38). “A value chain describes the categories of activities within and around an organisation, which together create a product or a service” (Johnson et al, 2008, p.110). The authors will now analyse the most vital aspects of Dale’s value chain.

Technology development
Technology development within production is an important factor for Dale. By using technology, the company has created innovative solutions for wool, e.g. making it water repellent. This is the core competency of Dale, as it enables them to create original clothing with unique technical features.

Operations
Dale has its own production facilities and has no intentions of outsourcing this in the future (as described in the corporate objectives in section 1).

Marketing and Sales
Dale’s main promotional activity is sponsorship of sport events and athletes, and co-operations with international sport organisations. This will be further examined in the subsequent Bakka-model.

5.2 The Bakka-model

In order to get an impression of where Dale is in the internationalisation process, the Bakka-model (appendix 3) is a useful tool. This model divides the internationalisation process into five distinct stages: trial export, extensive export, intensive export, multinational marketing and the last stage of the process described as international marketing. The Bakka-model can be criticised because it may be difficult to identify the proper stage where the company is located. However, the authors have chosen to use it because it gives an insight of the company’s globalisation process.
Export motive
The main motive behind Dale’s export is to increase profit, but also to gain market share outside the domestic market. The corporation exports to as many as 22 different markets throughout Europe and North America. Based on this, Dale can be placed in stage 3: intensive export.

Market choice
Dale exports to numerous foreign markets and most of these are situated in mountain-areas. The company also export to countries that are not characterised by outdoor activities. Due to this, Dale can be placed in stage 3: intensive export.

Market share
Dale is the largest manufacturer of classic and innovative Norwegian knitwear and technical outerwear (Dale of Norway, 2011b). The authors have therefore chosen to place Dale in stage 3: intensive export.

Organisation
All production takes place in Norway. Abroad, Dale is represented through distributors and agents. In USA, Dale is represented with their own subsidiary in Burlington, Vermont. They can therefore be placed in stage 3: intensive export.

Entry strategy
As mentioned in market choice Dale exports to 22 countries. When entering new markets, Dale utilises distributors and agents. An agent usually assists with promotion, sales and to maintain contact with the consumer. However, it can be difficult to establish a good relationship with an agent and also challenging to terminate the contract (Solberg, 2009, p.258). In Keswick for instance, Dale has a problem with the agent due to disagreements on the selling price (personal communication, Raunehaug, 2011). Based on this, Dale can be placed between stage 2: extensive export and stage 3: intensive export.
**Marketing mix**

Dale’s market communication has so far been done through their website and by sponsorships of e.g. the world-championship in skiing and several athletes. According to Raunehaug, the company is market leader within the niche of producing wool sweaters (personal communication, 2011). However, in foreign markets the brand awareness is less obvious. The prices are fairly high, but it is intended to reflect the quality of the products. Wool is a quality fabric and costs more than other technical sports wear. The entire production is situated in Norway, which is considered to be more expensive than outsourcing the production to a country with lower labour costs. It is not obvious that Dale can be placed within one specific category based on their marketing mix. The promotion is not adapted to different cultures but is based on international awareness through their sponsorships. The authors therefore argue that Dale can be placed in stage 3: intensive export.

**Economic result**

In 2010 Dale had an operating profit of approximately 726 500 GBP. The turnover was 9.6 million GBP, whereas the export constituted of 6.3 million GBP (Sportsbransjen, 2011). This means that export abroad is a positive contribution to their economic result. Dale can therefore be placed in stage 4: multinational marketing.

**Conclusion**

Overall, the authors conclude that Dale can be placed in stage 3: intensive export. Solberg’s characterisation of this phase is that the company has knowledge and experience within export, and the export is an important part of their income. In order to reach goals it is important to set clear objectives and create an exporting strategy. In this phase it is important to choose segment, price and distribution channel, and develop an export division (Solberg, 2009, p.123).

**5.3 Internationalisation capability**

A company’s internationalisation capability is their competence to adapt to demanding foreign customers and meet strong international competitors. In order to understand the company’s internationalisation capability, one must evaluate their international
corporate culture. This is important to outline so it can be utilised in Dale’s strategic decision making.

5.3.1 International corporate-culture

In order to identify Dale’s internationalisation capability and to get a deeper insight of the company’s culture, the ACE model is utilised. Additional factors that should be included in this evaluation are the company’s market share in the reference market as well as the market network (Solberg, 2009, p. 145).

Several researchers have analysed whether there are significant differences between successful and less successful exporters. The main impression from these researches is that the companies that have an actively engaged management, who participates in the export process, make the greatest progress in international markets. The areas that distinguish successful from less successful exporters are, among other things; risk-taking, market orientation, attitude to other cultures and attitude to obstacles in the market (Solberg, 2009, pp.132-133).

5.3.2 Attitudes

With 55 employees in Norway, Dale can be characterised as an SME (small and medium enterprise) and it is therefore easier to facilitate for a good internal attitude towards exporting. In addition, a corporation with strong financial resources will normally experience a decreased risk of entering foreign market(s). This is beneficial in order to create a positive attitude towards export within the corporation (Solberg, 2009, p.133).

As mentioned, Dale is now present in numerous markets in Europe and Northern America. They started to enter foreign markets after World War II, and have therefore gained a great deal of international experience and vital knowledge about foreign markets. Their collaboration with the International Ski Federation (FIS) and the International Olympic Committee (IOC) has also increased their experience of working with different cultures. The managers of Dale seem to have a desire to develop their business in foreign markets, and have expressed a wish to focus on further expansion in the English market. These are vital factors that increase Dale’s willingness to take risks.
As previously stated, Dale has gained valuable knowledge about the foreign markets they operate in. In addition, the company operates in a niche market and is product oriented, as mentioned in chapter 2.7. Solberg points out that an orientation towards market rather than products is preferred when it comes to establishing a positive attitude export in the company (2009, p.133).

### 5.3.3 Competencies
As previously mentioned, Dale has been exporting for decades. They have deep knowledge with design, comfort and quality. In addition, they focus on developing innovative techniques and product features. It can therefore be concluded that Dale have high competency in their field and in the industry in general.

### 5.3.4 Embodiment
In order to succeed as an exporter, it is important that the attitudes, competencies and the embodiment are present in all parts of the company (Solberg, 2009, p.137). The fact that Dale exports to many countries, indicate that the Norwegian management is positive to export and they are also interested in exploiting new markets. The authors therefore believe that internal interests towards seeking new markets are high.

### 5.3.5 The good export circle
The good export circle is a framework that illustrates how well the attitudes and competencies are embodied in the organisation. It is important for Dale that the management reflect on the results of previous exports and evaluate how well increased competencies and proactive attitudes are integrated in the company. If all parts of the value chain are engaged in the exporting-process, the corporation has managed to better facilitate for entering foreign markets. The CEO´s perspective and priorities concerning home market vs. foreign market will, in most cases, reflect the overall attitude of the company (Solberg, 2009, p.138).
5.3.6 Market share in the reference market
The Boston Consultancy Group (BCG) has developed a matrix, which is useful when analysing the market share in the reference market (appendix 5). A strong position in the reference market is vital for any business that considers exporting. The reason for this is that the organisation should not have to worry about the reference market, whilst it at the same time needs to invest a lot of resources and finances in a project abroad (Solberg, 2009, p.146). The Norwegian market provides the main income for Dale and is therefore considered to be their reference market. Dale’s market share in Norway should be high in order to strengthen the internationalisation capability.

Market growth rate
The Norwegian sportswear and leisure market is characterised by numerous strong and well-established competitors. Successful Norwegian brands such as Kari Traa, Helly Hansen and Bergans, state that it is more attractive to enter new markets than to increase the presence in the reference market (Valvik, 2007). This shows that the market growth rate is fairly low.

Relative market share
Dale states that the corporation is the “largest manufacturer of classic and innovative Norwegian knitwear and outdoor clothing” (2011b). This indicates a solid position in Norway, as well as in foreign markets.

Based on these findings, Dale can be placed in the category cash cow and should base its exporting strategies on this position. Due to the slow growth in the market, it is not necessary for Dale to utilise all of its capacity and resources in the reference market. This provides strategic opportunities outside of Norway. However, the BCG- matrix is criticised. The matrix often leads to hasty conclusions when it comes to the company’s future strategic initiatives. One of the main reasons for this is because it is difficult to define the company’s market (Solberg, 2009, p.147)

5.3.7 Market network
Another criterion for a successful export commitment is to have a well-developed market network (Solberg, 2009, p.148). A well-developed market network will be
beneficial for the company because of increased market information and intelligence. The evaluation of the market network and its capability to lead the company to the right customers will be crucial when one should determine the company’s internationalisation capability.
6.0 External Analysis

6.1 The sportswear market in the UK

Since Dale operates in a specialised niche market, the business can relate to several industries, where fashion and sportswear are the most interesting ones. When analysing the growth of the market, this must be taken into consideration.

Mintel has estimated that in the recent years, sportswear has become more casual and the sportswear industry has been roughly divided into three categories: performance, casual and comfort. Is it discovered a “rising participation rate in sporting activity”, which indicates a growing and profitable market for new entrants (2009). The 2012 London Olympics is the main reason why Mintel promised the UK a “golden decade of sport”, which will probably lead to a remarkable growth in the sportswear industry in the UK (2009).

According to Mintel, the UK clothing market is characterised by massive choice for the consumers. The distribution channels mail order and internet made the most progress last year. Concerning spending habits, it is estimated that 39 percent of British consumers have spent less money on clothes in 2010 than the year before. It is believed that this is because the deflation eased, and the consumers “bought fewer items but spent about the same amount of money” (2010).

Regarding prices in the fashion industry, Mintel estimates that selling prices of clothes in the UK will increase by 5 percent in 2011. This is due to increased production costs as a consequence of the recession (2010).

Another essential finding is that 95 percent of distributed goods in the UK come from import (Keynote, 2010).
6.2 Competitors

The competitors are selected based on their product offering, price, and results from the primary research. However, not all of the competitors mentioned in the primary research have been included, since further analyses have shown that they do not have similar offerings. The competitors that have been analysed are Peak Performance, the North Face, Timberland and Helly Hansen. A complete analysis is listed in appendix 6.

6.3 Globality of the industry

The international market is constantly evolving, with industries heading towards a more global structure. How a company should approach the global market depends on the competition and market conditions, and the company’s capability to work under these circumstances. Dale’s competition arena can be described by utilising Porter’s five forces. This model provides an overview of the international competitive structure of the industry that Dale operates in.

6.4 International competition structure

6.4.1 Porter’s Five Forces

According to Michael Porter, the structure of the industry is affected by five forces; threat of new entrants, threat of substitute products, bargaining power of suppliers, bargaining power of customers and competitive rivalry within an industry (Mind Tools, 2011). These factors affect the potential for profit within the industry, and therefore also the potential for profit for the company.

Porter’s five forces have been subject to a number of criticisms throughout the years. According to O’Shaughnessy, Porter’s five forces do not give any indication on how to operationalise any analysis based on these forces (1995, quoted in West, Ford and Ibrahim 2006, p.74). Lynch further says that the framework is static, whereas the competitive environment in practice is constantly changing. He also argues that it ignores the human resource aspects of strategy (2006, p.98). However, the framework is used to understand the context of the industry, in which Dale operates.
**Threat of new entrants**

Markets with great opportunities for profit are attractive for new entrants (Mind Tools, 2011). With its specialty within production, technical features and modern design, Dale operates in a niche market with specialised goods and they focus on a wide target group (personal communication, Raunehaug, 2011). There are many competitors in the sportswear market and the switching costs are therefore low for the consumers.

Product differentiation is another factor that increases threat of new entrants, which is beneficial for Dale and their unique products in the English market (Lynch, 2006, p.231). In a high-priced market, brand awareness will be beneficial for new entrants. Another possible barrier is brand loyalty. As Dale is only represented in one store in Keswick, it is a relatively unknown brand in the English market. Therefore, the consumers do not feel a strong bond of loyalty towards the brand.

There can be many barriers for new competitors to enter a market such as government restrictions, laws, capital requirements, technical standardisation, access to resources and economies of scale (Mind Tools, 2011). A vital requirement for new competitors to enter the market is competence and capital.

**Threat of substitute products**

Fashionable knitwear with technical features is quite a unique offering in the English market. When analysing the substitutes, it is important to bear in mind that Dale’s products can be purchased for two main reasons; for those who want warm, woollen, quality knitwear and for those who are more interested in the design and brand, or a combination of both.

As previously mentioned, Dale offers a wide product range in the categories **Baselayer, Midlayer, Knitshell and Tradition**. With such a wide range of products there are numerous substitute products that can attract the consumers. Potential substitute products can be base layer, outdoor clothing, sportswear, and particularly fleece. Fleece is a common fabric used in warm winter clothes, and is therefore a great substitute to wool.
Bargaining power of suppliers

The bargaining power of suppliers depends on factors such as supplier concentration, importance of volume to supplier, switching costs of firms in the industry and concentration of purchasers (Mind Tools, 2011). As mentioned above, Dale operates in an industry where there is a wide range of substitute products, which leads to a high number of different suppliers. However, Dale has its own production facilities in Norway, and has a long lasting relationship with Norwegian suppliers (Dale of Norway, 2011). As mentioned in the first chapter of this report, the long-term objective for Dale is to keep the production in Norway. This decreases the bargaining power of English suppliers. On the other hand, if English suppliers can offer production at a significant lower cost than the production in Norway, this might threaten Dale.

Bargaining power of customers

There are more potential consumers than suppliers in this niche market, which decreases the power of the consumers.

Observations from fieldwork in London and Liverpool (appendix 7 and 8) gave the authors the indication that there are numerous potential retailers that could be of Dale´s interest. This increases the bargaining power of the consumers, because they have a great choice of retailers to choose from. The authors also observed that there are many potential areas of opening a concept store.

Competitive rivalry within an industry

The exit barriers for Dale are low due to the fact that production and technical equipment is located in Norway. The store, employees and capital invested are the main risks if Dale has to leave the market. There are high production costs related to specialised products, and economies of scale would therefore be beneficial. This factor increases the rivalry.

As stated earlier, Dale offer unique products and it is therefore challenging to allocate competitors with similar offerings. The competition arena has to be wider, and include sportswear and other expensive clothes in addition to woollen garments. The market that
Dale might enter is characterised by a diversity of rivals with different cultures, philosophies and missions. This leads to a fairly unstable industry, which increases the risk of misjudging the rivals’ moves (Mind Tools, 2011).

Since there is no brand loyalty, the potential customers for Dale have low switching costs. In addition, there are a large number of firms in the market, which increases the rivalry.

6.5 Globalisation forces

6.5.1 PEST Analysis

Political
Norway is a member of the European Economic Area (EEA), which gives them access to the European Union’s internal market and the four freedoms: free movement of goods, persons, capital, and services. As the UK is a member of the European Union (EU) trade barriers between the countries are reduced (Norway The Official Site In The UK, 2009).

UK is the sixth largest economy in the world and one of the best places to do business in the EU. Low corporate taxation makes it advantageous for new businesses to enter. The country is open for investment and facilitates by reforming the complexities in the tax system (UK Trade and Investment, 2010).

Also, investment services are offered by UK Trade and Investment. They “encourage the best overseas companies to look at UK as their global partner of choice” (UK Trade and Investment, 2011). This allows international businesses to enter, get established and grow in the UK market.

Economic
England’s economy is one of the largest economies of the world, with London as the world’s financial centre. England was one of the worst hit nations in the world after the recession in 08/09 and the unemployment rate increased significantly. The real GDP had
a growth rate of 1,6 percent in 2010 and the GDP per capita (PPP) was 22,000 GBP (CIA, 2011). In March 2011 the unemployment rate was 8 percent, up 0,2 percent from previous year (HRM Guide, 2011).

The figure below shows how the economy in Britain was affected by the Great recession. The recession ended in 2009 and the economy has grown rapidly from then on. The decline in 2010 is due to the heavy snow in December 2010.

![GDP Growth](image)

**Figure 3: GDP growth (Oxlade, 2011)**

After the recession the Brown government implemented a number of measures to stimulate the economy and to stabilise the financial markets. The government did this by cutting taxes, suspending public sector borrowings and nationalising parts of the banking system. When the Cameron government took over in 2010, it introduced a five-year austerity program. The goal of this program is to lower London’s budget deficit from 11 percent of gross domestic product to 2 percent by 2015. In order to do so, taxes were raised and there have been cuts in numerous social benefits. There have been created new jobs in the private sector and over half a million jobs in the public sector have been taken away (O’Rourke, 2010).
Social

“The social-cultural environment consists of a range of behaviours and relationships in which individuals engage in their personal and private lives, including: the characteristics of the population; values and attitudes; lifestyles and relationships” (Wetherly, ‘n.a’, p.123). There is a two-way interaction in the relationship between business, culture and society. Values and attitudes are shaped by the business culture, and business affects culture and society (ibid).

The UK has an increasing population and the growth is expected to continue. It is estimated that by July 2011 there will be 62,6 million people living in the UK (CIA, 2011). The population is growing due to immigration and the fact that the average age is rising. This affects companies in terms of workforce participation and through their impact on consumer spending. The post-war ‘baby-boomers’ have reached retirement, which means that there is a growing market of older consumers. The increasing immigration the last 50 years has created a multicultural society (Wetherly, ’n.a’, p.132).

Social class is an important aspect of the British society. Social classes are often defined in terms of occupation, and are driven by economic change. The social classes are divided into working class, middle class and upper class, and are relevant to both social status and standard of living (appendix 4).

The society is constantly changing and evolving and the increased use of social media is obvious throughout the globe (Richardson, Gosnay and Carroll, 2010, p.21). The number of social networks, blogs, applications, websites, online stores etc. is increasing on a daily basis and participation on social networks is the most increased activity online (Marketing Charts, 2011). It is estimated that approximately 70 percent of the world’s population is using the internet. Shopping is the activity that attracts most users and these are mainly in the ages between 25 and 45 (Mintel, 2011a).

Technological

There are numerous different knitting techniques and methods; both hand knitting and with machines. The latest developed machines enable a much faster process than before. Dale’s techniques are highly efficient and ensure top quality products (Dale of Norway,
2011e). Their weatherproof garments are innovative products based on the latest technology.

E-commerce sales are growing rapidly. Shopping online has never been easier and many retailers now offer their products online. The online market has grown 25 percent per year since 2005 and is estimated that in the next five years, online sales will grow 7 percent faster per year than all other retail (Mintel, 2010).
7.0 SWOT- analysis

The SWOT- analysis is a tool used to summarise the company’s strategic situation. The main purpose is to find basis for a marketing strategy (Framnes, Pettersen and Thjømøe, 2006, p.142). In the SWOT-analysis we have looked at the most important strengths and weaknesses of Dale, these are based on the internal analysis. The opportunities and threats have root in the external environment. A complete SWOT analysis can be found in appendix 9.

A TOWS analysis is utilised to compare internal strengths and weaknesses with external opportunities and threats. By using a TOWS analysis, the authors identified appropriate strategies and objectives so that Dale efficiently can respond to environmental factors.
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<th>SWOT</th>
<th>Strengths</th>
<th>Weaknesses</th>
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<tr>
<td></td>
<td>• High quality garments of pure wool</td>
<td>• Lack of promotional activities</td>
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<td></td>
<td>• R&amp;D</td>
<td>• Market choice is often based on coincidences</td>
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<td></td>
<td>• Strong position in domestic market</td>
<td>• Poor foreign market strategy</td>
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<td></td>
<td>• Excellent expertise within the field</td>
<td>• Few personnel resources</td>
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<td></td>
<td>• Own production facilities</td>
<td>• Minimal brand awareness in England</td>
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<th>TOWS</th>
<th>Opportunities</th>
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<th>WO Strategy</th>
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<td></td>
<td>• Few similar product lines in England</td>
<td>• Launch a collection that is tailored for the English market</td>
<td>• Create an appropriate marketing mix: <em>Invest in promotional activities online</em></td>
</tr>
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<td></td>
<td>• Increasing number of older consumers</td>
<td>• Develop strategy for online store</td>
<td>• Create a specific export strategy for England</td>
</tr>
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<td></td>
<td>• Online shopping</td>
<td>• Take advantage of Norway as <em>country of origin</em>.</td>
<td>• Utilize resources effectively</td>
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<td></td>
<td>• Increased number of people with an active lifestyle</td>
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<td></td>
<td>• Perception of Norway as a country of quality</td>
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<th>Threats</th>
<th>ST Strategy</th>
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<tr>
<td></td>
<td>• High number of substitute products</td>
<td>• Raise brand awareness</td>
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<td></td>
<td>• Well-established competitors</td>
<td>• Develop an appropriate pricing strategy</td>
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<td></td>
<td>• Price sensitivity after recession</td>
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<td></td>
<td>• Consumers have little knowledge of the qualities of wool</td>
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Figure 4: SWOT and TOWS analysis
Section IV: SPD, Objectives and Alternative Strategies
8.0 Strategic Problem Definition

How can Dale utilise their strengths and weaknesses to exploit the opportunities with an increased active lifestyle and online awareness among customers as well as the threats of the price sensitivity and changed spending habits, to penetrate the English market?

9.0 Strategic Objectives

9.1 Operative objectives (2-5 years)

- Decide an entrance strategy for the English market
- Promote the product features in an informative way
- Raise brand awareness
- Develop an appropriate pricing strategy for the English market
- Launch a collection that is tailored for English customers

9.2 Strategic objectives (5-10 years)

- Expand distribution
- Expand sales partners through networks
- Develop a strategy for online store
- Create an appropriate marketing mix
10.0 Critical Factors of Success

The critical factors of success (CFSs) are the critical factors or activities businesses have to satisfy in order to succeed (Rapid Business Improvement, 2007). With basis in the environmental analysis the authors have considered the following as important CSFs for Dale to succeed in England:

- Marketing
- Employees
- Cash-flow
- Technological development

10.1 Marketing

Market orientation

As previously stated, Dale is product oriented rather than market oriented. In order to succeed in England it will be important for Dale to meet customer needs and demands. The company should therefore adopt a more market-oriented approach in order to succeed. It is important to know who the customers are and gain deep knowledge about them (Solberg, 2010, p.17). The understanding of the customers can be utilised in the marketing mix when creating brand awareness.

Promotion

Based on the findings in the primary research and external analysis, the authors consider the knowledge about Dale’s products in England to be minimal. Therefore, marketing is crucial in order to raise brand awareness among British consumers. Dale should exploit an informative marketing strategy due to the lack of knowledge about wool and the quality it possesses. In addition to this they should emphasise the fact that all production is in Norway, in order to underline the quality of the products.

The company should evaluate how they wish to represent themselves, and the authors would suggest them to be represented on tradeshows (appendix 16) and utilise
promotional activities that attracts a large audience. By doing this, the customers will have Dale in their evoked set.

10.2 Employees
If Dale is to commit to an assertive export to England, it will be necessary for the corporation to allocate personnel resources. Entering England requires competencies about the market and the customers, in addition to building relationships and networks. Since the environment changes rapidly, external analyses (such as Porter’s five forces and PEST) should be frequently re-evaluated. This requires competent and dedicated employees. As recommended by Solberg, Dale should organise the marketing department into different regions for every market. This means that there should be one regional manager for the domestic market and one for each key export market, in addition to the marketing manager (Solberg, 2009, p.444). The fact that Dale is a small corporation with few employees needs to be taken into consideration, but the company should still allocate a specific person to work solely with the English export, especially in the initial export period.

10.3 Cash-flow
The British market has been in a recession after the world financial crisis, however, the economy has raised greatly since 2009 (see chapter 6.5.1). Due to this, consumers are more price-sensitive. Dale’s prices are high and people might be more reluctant to purchase their products. To enter the British market they would have to spend a great deal of money on marketing, as they are an unknown brand. It will require that Dale is capable of covering the expenses, which depends on their capital and cash flow. In addition, when deciding the proper entry strategy their capital and cash flow are essential factors.

10.4 Technological development
Technological development is a key importance for Dale, as they are producing products with the latest technological knitting machines and techniques. They should continue to focus on new and improved ways of producing their products, design features and innovative solutions. This will be beneficial for the following reasons: to keep the costs
low, be a stronger competitor, and continue to be the leading company within its niche in Norway. Their competitors in the sport market are extremely focused on technological development (appendix 6), as consumers in this market are constantly looking for new product solutions so that they can perform even better.
11.0 The nine strategic windows

The nine strategic windows is a framework that identifies strategies to succeed in a
global market (appendix 10). This model of strategic decision making consist of two
factors: the internationalisation capability and the international characteristics of the
industry. Based on these two factors the management can get an indication on which
strategies that should be utilised in the future (Solberg, 2009, p.166).

There are several weaknesses of Solberg’s nine strategic windows. For instance, it
depends on how one defines the critical variables. Also, some of the terms are difficult
to define and operationalise. Furthermore, the tool needs information that the company
does not always possess. This could be the competition structure in international markets
(Solberg 2010, p.156)

When characterising the firm’s capability to face the challenges of internationalisation
the authors have used the good export circle and the Bakka model, as suggested by
Solberg (2009, pp.123 and 128). In order to evaluate the market share in reference
market, the BCG matrix has been utilised.

11.1 Concluding Dale’s internationalisation capability

As described in the ACE-model in chapter 5.3, Dale has a positive attitude towards
exporting and years of experience with export and product development. This has
created valuable competencies and knowledge, which increases Dale’s
internationalisation capability. However, as one can see from the corporate objectives in
section 1, Dale has no specific strategy for the company’s export. Based on these
findings, it can be concluded that Dale is placed in the middle of the y-axis in Solberg’s
nine strategic windows (2009, p.149).

11.2 Concluding the globality of the industry

A global industry is characterised by economies of scale (Solberg, 2009, p.141). Since
Dale offer products that are designed for a particular climate, the products are not
suitable for tropical areas. However, large parts of the northern hemisphere are potential
markets for Dale to enter. Based on this, Dale operates in a “multinational industry”, that is neither global nor local.

11.3 Concluding the nine strategic windows
According to Dale’s internationalisation capability and the degree of globality in the industry, the authors would place Dale in the fifth window: “consider expansion to new markets” (appendix 10). Solberg’s characterisation of this position is that the company has gained a certain position in international markets as well as developed a good international business culture throughout the years. Dale has experience of exporting to other countries and their position in international markets consists of distributors and agents. Strategically, Dale should develop market networks as well as focusing on positioning in order to gain brand awareness and to get a competitive advantage (Solberg, 2009, p.151).
12.0 Alternative Strategies

These are the alternative strategies for the English market

Alternative strategy 1: Utilise distributors
Alternative strategy 2: Open concept store in London
Alternative strategy 3: Status quo – continue with a small presence in Keswick

12.1 Utilise distributors

A distributor will operate in its own name and be the direct buyer of Dale’s products. As mentioned, Dale utilises this entrance strategy in countries they already export to. The positive aspect of using a distributor is that they take care of the logistics, that the financial risk is reduced, as well as having experience within sales and marketing (Solberg, 2009, p.257). However, there are some problems when choosing a distributor. Solberg argues that the cultural and geographical distance to the market, in addition to institutional obstacles, makes it challenging for the exporter to have direct contact with the market (Solberg, 2009, p.251). Based on the findings in the primary research there are several distributors that could be suitable for Dale. According to the respondents in the primary research, Dale should exploit their products in department stores. The authors visited department stores in London and concluded that Liberty would be the most suitable department store for Dale. However, the authors believe that it will be difficult for Dale to differentiate their brand in this kind of store as well as being visible for the consumers. The authors would conclude that this entrance would be beneficial for Dale since they already have experience with this strategy.

12.2 Alternative 2: Open concept store in London

A concept store would be beneficial for Dale because it will make it easier to differentiate the company in a market where there are numerous competitors and it is hard to capture the interest of the audience. This requires heavy financial investments as well as competent managers and trained employees. Also the risk is high when opening a concept store because it is uncertain what the consumers’ reactions will be (Astrup and Eckbo, 1983, quoted in Solberg, 2009, p.260).
The managers of Dale have expressed a wish to open a concept store in England, their dedication and investment to such a project is obvious. In addition, the findings from the primary research showed that the respondents reacted positively to a potential Dale-concept store. The respondents pointed out that a concept store would help Dale to differentiate its brand and products and the overall image would be emphasised in a crowded fashion-metropolis. Furthermore, a concept store will give Dale full control over the value chain.

12.3 Alternative 3: Status quo – continue with a small presence in Keswick
The last alternative is to continue as they are doing now, with an agent in Keswick. This strategy will not require additional staff, competencies or knowledge. As the distribution is now, this strategy will not create particularly high profit or brand awareness for Dale. It would therefore be beneficial to evaluate the relationship with the agent, and make a contract that covers an agreed pricing strategy.
Section V: Recommendations
13.0 Recommendations

13.1 Choice of Entry Strategy

There are two factors that are essential in terms of choosing an entry strategy: the internal resources and the objectives the company has in the market, and the external marketing conditions (Solberg, 2009, p.239). Based on the evaluations above, the authors find that alternative 2 will create the most beneficial outcome for Dale. This is because it will be easier to communicate the overall image and brand personality in a new market, with a concept store. Since Dale will offer quite unique products in the English market, it is important for the corporation to emphasise the brand and product benefits.

Solberg points out that an own sales office (concept store) is the entry strategy that gives the greatest control over the marketing and the best contact with the market (2009, p.259). It is important to notice that if a concept store is going to be a success, the export has to be big enough to cover the fixed costs (Solberg, 2009, p.259). For many exporters, a sales office or concept store is necessary in order to cover these costs. As mentioned in the chapter above, this is risky and requires financial resources, but will give Dale control. It is advised that the following factors are given particular consideration: company structure, personnel politics, location, establishment of new routines and legal factors (Solberg, 2009, p.261).

13.2 Segmentation

“A way to identify and profile distinct groups of buyers who might prefer or require varying product and service mixed by examining demographic, psychographic and behavioural differences among buyers” (Kotler and Keller, 2006, p.24).

The demographic variable can be divided into gender, age, education, income, occupation, religion, family size and class. However, all of these are not always relevant in determining the segment. There are six different generations in the US market:

- GI Generation (1901-1924), who are conservative and engaged in the society;
- The Silent Generation (1925-1945), who started a family at an early age and are concerned with youthfulness and vitality;
The Baby Boomers (1946-1964), who believe that personal gaining is important, have a high disposable income, and are value-focused and do not want to be perceived as older;

Generation X (1961-1981), who are perceived as cynical, with great economic powers;

Generation Y (1976-1981), who are interested in urban style, like outdoor activities, and enjoy retro-styled products;

The Millennials (1982-2002), who are multicultural, into high-tech products, well educated, and are more used to violence and sex in media than previous generations (Schuman and Scott, 1989, quoted in Ford, West and Ibrahim, 2006, p.150).

The population of the US and the UK have shared many of the same experiences in life, which make it reasonable to believe that one can use the same segmentation method for the English market. Because of Dale’s high quality and price level, it is likely that their segment would be people with a high education and disposable income. Their segment may reach from Generation Y to Baby Boomers, i.e. 30-60 years old.

The psychographic bases for segmentation are personality, lifestyle and values. These are important bases for segmentation because of their potential for effective targeting. Lifestyle reflects how the consumers choose to live their life. Dale’s segment is probably people with an active lifestyle, who enjoy the outdoors. They need functional clothing, but might also like to look stylish. Personality can be applied to products and services because brands can be given personality traits (Aaker, 1997, quoted in Ford, Ibrahim and West 2006). Brand personality can be matched with the personality of the segment to create a strong connection. A company can also try to match its core values with the values of the consumers, building positive associations. Some of Dale’s core values are quality, tradition and design, and they focus on this to attract the consumers who are willing to pay a little more to get the best.

The behaviouristic bases for segmentation are “built around groups in which consumers have similar understanding of, uses for, and responses to particular products or services” (Ford, Ibrahim and West 2006, p.157). Loyalty level is one of these bases, with five
different levels: *brand insistence, brand loyalty, split loyalty, shifting loyalty, and no loyalty*. By studying these groups, Dale can learn about their competitors through the eyes of the consumers. *Benefit segmentation* assume that different consumers want different things in a product. Dale may appeal to certain consumers because of the traditional design and look of the garments and to other with its functionality. Another type of behaviouristic segmentation is *exploiting special events*. Dale creates a new garment for each Winter Olympic Games and World Ski Championship, and these are named after the location of the event. This segmentation strategy should also be applied in the English market.

Tourists are a segment that might be relevant for Dale to look into. Many people travel to London to shop, and several of these are prepared to spend a high amount of money. There were 14, 6 million visitors in London in 2010, and they spent a total of 8,6 billion GBP (London and Partners, 2011). Respondents from both the interviews and focus groups mentioned Japanese tourists as potential customers.

### 13.3 Positioning

Brand positioning is about making a brand different from its competitors by distinguishing its characteristics and creating a position in the consumers mind (Kotler and Keller, 2006, p.310). Brand positioning is vital in order to create a strong brand image. Dale should strive to be the first brand that comes to mind when thinking of knitwear garments. Dale’s chief characteristics are quality and design. They have a strong brand position in the reference market and their position is based on their chief characteristics. Even though the prices of the products are high they are at the same price level as the competitors. It is not perceived as extremely expensive when comparing them with the competitors in the sports market. From the primary research the authors found that sports clothes from Norway are perceived as high quality and hard wearing, because of weather conditions. This is beneficial for Dale when entering a new market. The focus on design, especially the traditional Norwegian pattern, is a great part of the positioning of the brand in Norway. However, the consumers in the new market might not have much knowledge about traditional Norwegians design. The respondents from the primary research were somewhat split on the design features.
Some were very positive and liked the pattern, however, some disliked it. It will therefore be important for Dale to offer a wide range of products, from plain to traditional garments. Yet, it is important to place emphasis on the uniqueness of the design and features. Dale should position their brand as high quality and a fairly high price.
14.0 Marketing mix

Marketing mix is “the set of controllable tactical marketing tools that the firm blends to produce the response it wants in the target market” (Kotler et. al., 2001, p. 97). The marketing mix consists of four variables: product, price, place and promotion, which are used to influence the distribution channels and the demand of products. The four P’s contributes to achieve the company’s marketing objectives (Kotler et.al., 2001, pp.97-98). When entering the English market it is important to determine whether Dale should utilise a customised or a standardised marketing mix. Customer needs, expectations and perceptions usually differ from one country to another. Dale should adapt parts of their marketing mix to meet customer’s demand in England. The figure below shows four possible promotional strategies based on a mix of product and communication. Dale’s communication should be customised to the English market while the products can be standardised.

<table>
<thead>
<tr>
<th>Product</th>
<th>Customised</th>
<th>Standardised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communication</td>
<td>Double customisation</td>
<td>One product, Several messages</td>
</tr>
<tr>
<td>Customised</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Standardised</td>
<td>One message, Local products</td>
<td>Double standardisation</td>
</tr>
</tbody>
</table>

Figure 5: Product and communication – customised or standardised (Solberg, 2009, p.313)

14.1 Product

Dale’s core products are outdoor knitwear garments, for either sport or leisure. Dale’s products are standardised for all markets, which reduces the production costs. The primary research indicated that garments with fewer patterns would be preferable by the majority of the respondents. Dale could change design features to attract more customers in the English market, for instance make small adjustments, as adapting the patterns and colours. However, it is important that such an adaption to the English market must not
affect the core values of the brand, which are quality and design.

In the reference market, Dale should continue to invest in product development. They should focus on actively monitoring the competitor’s product development and introducing new products in order to maintain – and increase – their market share. In Dale’s secondary market, i.e. England, it might be necessary to adapt to cultural differences (Solberg, 2009, p.340). Since it is the secondary market, it can be questioned how much resources they should allocate. It is easier to adapt marketing strategies to a new market rather than adapting the products.

Regarding the labelling of the products, the authors would recommend Dale to include additional information on the tag attached to the garments. From the primary research conducted, it seemed like the respondents lacked knowledge about the benefits of woollen garments. The labelling should therefore state where it is made; describe the fabrics and the special features.

14.2 Price
One of the key findings from the primary research was the respondents’ reaction to Dale’s pricing. This is a clear indication that the pricing strategy for the English market is essential in order to reach a wide audience and to position the brand accurately. When setting a price strategy, Dale must evaluate the consumers’ perceived value, price sensitivity and the competitors’ prices, in addition to the production costs and profit margin. As stated in chapter 13.2, the target audience have higher education and high disposable income.

Dale offer high valued goods and the price is important for the consumers. Therefore, the demand is characterised to be price elastic. Also, entering the English market will require high investments, and the payback will probably be slow due to the consumer’s minimal brand awareness and lack of knowledge about the products and its features.

Due to the economic climate in England as well as a lower disposable income in England than in Norway (CIA, 2011), Dale should offer the products to a somewhat lower price. However, they should continue to use a high price strategy that reflects the
quality in products and production. Based on Doyle and Stern’s alternative pricing strategies and value implications, Dale should adopt a “high-value” price strategy. This approach combines high quality with medium price, and the authors recommend Dale to offer their products to a “medium-high” price.

<table>
<thead>
<tr>
<th>Price</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>Economy strategy</td>
<td>Good-value strategy</td>
<td>Superb-value strategy</td>
</tr>
<tr>
<td>Medium</td>
<td>Poor-value strategy</td>
<td>Medium-value strategy</td>
<td>High-value strategy</td>
</tr>
<tr>
<td>High</td>
<td>Rip-off strategy</td>
<td>Overcharging strategy</td>
<td>Premium strategy</td>
</tr>
</tbody>
</table>

Figure 6: Alternative pricing strategies (Doyle and Stern, 2006, p.231)

14.3 Place

Place is the fourth aspect of the marketing mix, and concerns how the organisation make their offerings available for the customers (Hill, O'Sullivan and O'Sullivan, 2003, p.243). The authors carried out field work in London in order to find potential locations for Dale. From the primary research, the authors found out that the respondents thought that opening a concept store would be suitable. Furthermore, the respondents suggested that Dale should be located in an upmarket area in London. Since Dale represents quality and the prices are high, the authors recommend Dale to open a concept store in one of the following areas: Sloane Square, Regent Street, Knightsbridge or Covent Garden. These locations require heavy financial investments to rent or buy a venue.

Both Knightsbridge and Sloane Square are clusters of designer boutiques. It is therefore suitable locations due to Dales pricing strategy and top of the range products. The exclusive shops that are already situated in this area are aimed at a higher price segment and have high international brand awareness (appendix 7). It may therefore be challenging for an unknown brand to create visibility and attract a large audience in this area.

Covent Garden is a tourist destination in London, and would therefore attract a large amount of customers. This place has a variety of fashionable boutiques and also high
street fashion shops. This is for both leisure and sports. The price range is medium high, and would therefore attract the right customers for Dale.

The authors found that Regent Street would be the most suitable place for Dale to open a concept store. “Regent Street is a unique international destination, a world class environment that delivers quality, heritage, style and success” (Regent Street Online, ‘n.a’). There is great traffic of both tourists and residents, and the price range is from medium to high.

In addition to opening a concept store, Dale should consider the opportunities with e-commerce. This is to be available in different distribution channels, and it is more convenient for the customers. As described in the PEST analysis, e-commerce is getting more popular and an increasing number resort to online shopping and “multi-channel” retailers experience the greatest success (Mintel, 2010). Dale should facilitate the website for English customers, so that it is possible to view the “English collection” and prices online, in addition to purchasing products.

14.4 Promotion

When entering England, Dale must decide whether to use a standardised or customised promotion strategy. The window “one product, several messages” (figure 4) combines a standardised product and customised communication. This is the most beneficial strategy for Dale. Dale’s products are basically standardised, however, some adjustments are required to appeal to British consumers. Dale is a new competitor on the market and needs to position its brand and products accurately. Dale would benefit from using the product attributes and country of origin as selling points. Since Dale’s unique selling points are their knowledge, expertise, innovation and use of pure wool, this should be emphasised in the promotion.

As mentioned in the primary research, the authors found that the respondents did not possess deep knowledge about wool and its qualities. The respondents preferred wool as a material in warm clothing, but did not know much of wool as a fabric. Since Dale differentiates itself by offering solely wool products with different technical features, it is essential that the promotion is mainly informational. Norway is a cold country and it
is perceived as an “expert” on warm clothing (see primary research results in appendices 13-16). This is highly valuable for Dale, due to its country of origin and production in Norway. It is important that Dale take full advantage of this in their promotional activities. However, a possible pitfall is that a foreign brand may not relate to English consumers and/or the products can be perceived as too warm for the English climate. Then again, it is important to emphasise the qualities of wool and product benefits.

As there are various ways of promoting a brand, the findings in the external analysis showed that online promotion is beneficial in addition to traditional promotion. This will enable Dale to reach a wider audience and also to target certain segments. By doing this, it is easier for the company to send a customised message, and it is easier for the audience to receive the message without as much disturbing “noise”.

The authors recommend the following promotional activities: traditional advertising, such as banners and relevant magazines, and also online activities such as search engine optimisation and viral marketing. These are actions that will increase the brand awareness, and it is important for Dale to emphasise the brand and product benefits. In addition, Dale should consider sponsoring events or high-profiled persons that are English to complement their current marketing strategy.
15.0 Conclusion

Based on primary research and external and internal analyses, Dale should establish a concept store in order to differentiate the brand and increase visibility in a crowded market. This will give Dale complete control of the value chain and emphasise the overall brand image.

Evidently, the process will require time and patience. Dale’s export strategy in England should be carefully evaluated concerning segmentation and positioning. The marketing mix needs to focus on product benefits and unique qualities. An informational marketing strategy is essential in order to capture the customers’ attention and interest.

Let Dale’s fairytale begin…
Section VI: Bibliography and Appendices
16.0 Bibliography

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## 17.0 Appendices

### Appendix 1 - Business orientation

<table>
<thead>
<tr>
<th>Orientation</th>
<th>Nature</th>
<th>Motivation to change</th>
<th>Marketing Activities</th>
<th>Marketing Oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>Short “sell cheap” High Volume, Low margin, risk, R&amp;D and innovation</td>
<td><strong>Internal</strong> Take share by cost leadership</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Product</td>
<td>Add to existing ideas. Some tailoring of product offer. Medium volume, occasionally high margins</td>
<td><strong>Internal</strong> Look to improve internal or external rivals</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Sales</td>
<td>“we sell what we produce”. Not necessarily the 1st, nor the best. Can take large market share</td>
<td><strong>Internal</strong> Look to take share from competitors by having higher awareness. Single transactions</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Marketing</td>
<td>“we sell what our customers want” Often end up market leaders. Seek to innovate with products and services</td>
<td><strong>External</strong> Seek to identify customer needs that aren’t satisfied by rivals and provide solutions. Look to develop relationships</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Gosnay & Richardson (2008, p9)

Richardson, N. (2010 p.10)
Appendix 2 - Differences between the British and Norwegian business cultures

(Hofstede, 2009 and 2009a)
### Appendix 3: The Bakka model

<table>
<thead>
<tr>
<th></th>
<th>Trial Export</th>
<th>Extensive Export</th>
<th>Intensive Export</th>
<th>Multinational Marketing</th>
<th>Global Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exporting motive</strong></td>
<td>Operational</td>
<td>Operational</td>
<td>Operational/Strategic</td>
<td>Mainly strategic</td>
<td>Mainly Strategic</td>
</tr>
<tr>
<td><strong>Choices of markets</strong></td>
<td>Neighborin g countries</td>
<td>Many markets</td>
<td>Market concentratio n</td>
<td>Market expansion</td>
<td>Consolidatio n in the triad</td>
</tr>
<tr>
<td><strong>Market share</strong></td>
<td>The firm is “invisible”</td>
<td>Negligible</td>
<td>Increasing</td>
<td>Large in chosen markets</td>
<td>Large in key markets</td>
</tr>
<tr>
<td><strong>Organization</strong></td>
<td>One man show, part time distributor</td>
<td>One man show, full time distributor</td>
<td>Export department. Agents</td>
<td>International division. Sales office</td>
<td>Global or transnational organization. Sales office</td>
</tr>
<tr>
<td><strong>Entry strategy</strong></td>
<td>“Piggy back”</td>
<td>Agent</td>
<td>Sales office in main markets</td>
<td>Licensing. Production</td>
<td>Production. Alliances</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>Marginal or negative</td>
<td>Marginal negative</td>
<td>Positive contribution</td>
<td>Mutually dependent of domestic market.</td>
<td>Price leader. Main income source.</td>
</tr>
</tbody>
</table>

(Solberg, 2009, p.122)
Appendix 4 - Social Class

<table>
<thead>
<tr>
<th>Class</th>
<th>Description</th>
<th>% of Population (NRS 2010)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Higher managerial, administrative and professional</td>
<td>4</td>
</tr>
<tr>
<td>B</td>
<td>Intermediate managerial, administrative and professional</td>
<td>22</td>
</tr>
<tr>
<td>C1</td>
<td>Supervisory, clerical and junior managerial, administrative and professional</td>
<td>29</td>
</tr>
<tr>
<td>C2</td>
<td>Skilled manual workers</td>
<td>21</td>
</tr>
<tr>
<td>D</td>
<td>Semi-skilled and unskilled manual workers</td>
<td>15</td>
</tr>
<tr>
<td>E</td>
<td>State pensioners, casual and lowest grade workers, unemployed with state benefits only</td>
<td>8</td>
</tr>
</tbody>
</table>

(National Readership Survey 2011)

Appendix 5 - BCG Matrix

(Solberg, 2009, p.147)
Appendix 6 – Competitor analyses

A competitor analysis is a set of activities that examines the comparative position of competing enterprises within a given strategic sector (Wilson and Gilligan, 1997, cited in West, Ford and Ibrahim, 2006, p.77). Due to limited internal information about the competitors, this analysis will no be very detailed.

Peak Performance

Peak Performance is Scandinavia’s biggest clothing label in the functional sportswear sector. It is a multinational company with over 300 employees, 80 stores and distribution in over 20 countries. Peak Performance has a relatively wide selection of sportswear. They have three collections – active, casual and black light. Casual is the collection that is most relevant considering competition with Dale, with their knitted cardigans and T-necks.

Mission

“...To develop, manufacture and sell products that are world class in terms of quality, function and design under the Peak Performance brand name, based on and guided by our values and our vision” (Peak Performance, 2011)

Objectives

The authors believe that Peak Performance aims for profit maximization as well as market share growth.

Strengths

- Started their expansion internationally in 1991, therefore they have many years of experience in the market (Peak Performance, 2011).
- Combine the elements of sport and fashion.
- Well-known brand name.

Weaknesses

- Does not have a wide range of woollen clothes.
Estimated reactions on Dale’s entrance
Dale is a small threat to Peak Performance; the authors would therefore conclude that the reactions to Dale’s entrance are minimal.

The North Face
The North Face was established in 1966 in San Francisco. It is a brand that offers products for performance apparel, equipment and footwear. The North Face pushes boundaries of innovation and design so that their customers can push boundaries of exploration. They wish to exceed consumer expectations (The North face,’n.a’).

Objective
The North Face is represented on all continents. The authors would therefore believe that their objective is to continue to increase their market share and existence in key markets.

Strategies
To become the “Nike of outdoors” (Guardian, 2010)

Strengths
- Product development
  - Gore tex, Windstopper, Polartec fleece, etc.
- International brand awareness
- Innovative product design and diversity
- Brand loyal customers

Weaknesses
- Does not have a wide range of woollen clothes.

Estimated reactions to Dale’s entrance
Since Dale is a niche product it is a small threat to The North Face.
Timberland
Timberland’s history stretches back to 1918. They sell shoes, boots and clothes fitted for hiking and mountaineering. Their products are sold worldwide through independent retailers, department stores, and athletic speciality stores in addition to Timberland’s own retail locations (Timberland, 2011).

Mission
"Our mission is to equip people to make a difference in their world. We do this by creating outstanding products and by trying to make a difference in the communities where we live and work” (Timberland, 2011).

Objective
As they are a well-established brand in international markets the authors would think that they would like to continue to increase their market share as well as increasing their sale of apparel.

Strategies
Timberland has high focus on CSR and one of the toughest codes of conduct. It is important for the company how they do their business (Timberland, 2011).

Strengths
- Strong brand name
- Second largest company in the outdoor industry (Greensteps, 2005)
- Strong proponent of corporate social responsibility

Weaknesses
- The income of the business is heavily dependent upon its share of the footwear market, which may leave it vulnerable if for any reason its market share erodes.

Estimated reactions to Dale’s entrance
Since Dale operates within the niche of woollen clothes and Timberland is mainly focusing on footwear, Dale’s entrance to England will not be a threat to Timberland.
**Helly Hansen**
Helly Hansen is an internationally established brand, with Norwegian origin. The company was founded in 1877, and has been exported since the 19th century. The brand offers active sportswear for “work, survival and sport” and focus on protection and performance as key attributes in their product offerings.

**Objective**
As they are a well-established brand in international markets, the authors estimates that the corporation’s main objectives is to continue to grow in current markets and enter new profitable markets.

**Strategies**
The strategy for Helly Hansen is to maintain an international focus and continue to develop products for protection and performance.

**Strengths**
- Strong international awareness
- Product development
  - 3-Layer System™, Waterproof and breathable materials
- Wide product range; lifestyle, outdoor, sailing, skiing and training

**Weaknesses**
- Does not have a wide range of woollen products

**Estimated reactions to Dale’s entrance**
Dale is a small threat to Helly Hansen, the authors therefore estimates the reactions to be minimal.
Appendix 7 - Report from field trip to London (18 March 2011)

These are the key findings from the field trip to London:

Sloane Square: Shops in this area are very exclusive. In this area there are many strong brand names and exclusive shops such as Prada, Fendi, Miu Miu, Gucci and Pringle of Scotland. The authors believe that this is not a proper location for Dale as their brand is not that exclusive.

Haymark Street: We could not find many stores in this area. We found mostly theatres and restaurants.

Regent Street – Liberty: Regent Street consists of exclusive shops as well as high street fashion shops. Many of the stores are rather big, but a smaller store will fit Dale more. Liberty is a department store with high fashion clothes. They have a selection of international designers which might be interesting for Dale. The area of Regent Street and Oxford Street is packed with tourists all year long, which is beneficial and they do not need to market themselves that much.

Carnaby Street - Fouberts place: In these streets there are many small shops. In Carnaby Street there are shops such as Nike, Miss Sixty, Diesel, Puma. Fouberts place consists of niche shops and this might be a good location to open a store. This is also right next to Regent Street where a lot of tourists go shopping.
Appendix 8 - Field trip to Liverpool (18 March 2011)

The authors chose to do field work in Liverpool, because this is a harbour city with many tourists. These are the key findings and observations from the field work in Liverpool:

Metquarter was located in the street named Whitechapel which is the main shopping area in Liverpool. It was easy to notice the centre. There was approximately 30 stores in the centre, all offering exclusive clothes from recognised brands, such as Hugo Boss, Tommy Hilfiger, Kurt Geiger, Diesel and DKNY. Judging from the location, boutiques, interior and exterior design, this is a location highly suitable for Dale if they were to open a concept store in Liverpool. A Dale store inside of this shopping centre would be easily noticeable, and attract the right clientele.

The Cavern Walks centre was not easy to notice, with an entrance in a side street to Lord Street. It was dark, cramped and did not look like an appropriate place for Dale to open a store.

Debenhams is a fashion warehouse with both international and British high brands.

Liverpool One was an outdoor shopping centre with high street fashion clothes for people between the ages 15-30. There were international recognised and popular brands at Liverpool One, offering products at a medium price such as Zara, Pull and Bear and Republic.

Behind Liverpool One, there are a lot of specialised stores such as Apple, Nike and Aldo, and could be a potential location for Dale in Liverpool.
Appendix 9 – SWOT Analysis

The SWOT analysis is based on the findings from the internal and external analysis, and is a tool used to summarise the findings.

Strengths

A major strength for Dale is the fact that they produce high quality garments. Their focus on research and development enables them to create innovative techniques in producing their products. As a result they have successfully developed fluorescent neon colors and water repellent wool.

Another strength is that the garments are made of pure wool. Woollen garments are more durable, it provides excellent insulation, it is breathable and it is warm even when wet. Some of Dale’s clothes are made of merino wool which is one of the finest and softest wool.

Furthermore, Dale has a profound history and tradition. This is one of the reasons for their strong position in the domestic market. The company was founded in 1879, which leads them to having excellent expertise within the field. In addition, they have their own product facilities in Norway which give them more control over the production. This also contributes to their position as a brand with high quality and long tradition in Norwegian knitwear.

Dale is an official supplier to the International Olympic Committee (IOC), and has manufactured the Olympic sweater for every Winter Olympic Games since 1956 (Herland, C-T., 2011). This is a major contribution in brand recognition for Dale. Adding to the strengths of Dale, they are market leader within the niche market in Norway which leads them to a unique position the domestic market.

Weaknesses

There are some key weaknesses in the Dale Corporation that may have an impact on the effectiveness of an export strategy. As mentioned in the Bakka-model, section 5.2, Dale has a strong and active focus on relevant sponsorships, but beside this, the promotional
activities are minimal. The results from the Bakka-model also found that market choice is often based on coincidences. The corporate objectives does not include a focus on potential customers, it only deals with expanding the number of current customers.

Dale is characterized as an SME and has few personnel resources. As pointed out in the ACE-model, Dale is more product oriented rather than market oriented.

Beside a small presence in Keswick, the brand awareness among English customers seems to be non-existent. The findings in the primary research showed that the prices are perceived as very high and might not appeal to a wide market in England. Also, an online store is not facilitated for English customers. Dale’s products are seasonal, but this is a point that related to all of Dale’s products in most markets and is therefore recognized by the Dale Corporation.

**Opportunities**

There are few similar clothing lines in the UK who sell weatherproof garments of the same quality as Dale. This gives Dale an opening in the market. In addition, Dale can exploit Norway as the country of origin and as a country of expertise within the field of warm clothing. The UK has an increasing market of older consumers, which means potential customers of Dale. Shopping online is becoming increasingly popular, and has never been easier. Many retailers are now offering their products online and this is something Dale can do as well. Making an online store available for the British consumers can be a great opportunity for Dale. An increasing part of the British population participates in an active lifestyle, which is a good sign of a growing and profitable market for new entrants.

**Threats**

As pointed out in section 6.1, the market growth in the Norwegian sportswear and leisure market is fairly slow. This threatens the current operations in Norway and increases the need for export. Concerning the British market, the findings from Porter’s five forces showed that there are a high number of substitute products in England. In
addition, there are several well-established competitors with high brand awareness among consumers.

As mentioned in the PEST- analysis, England was one of the worst hit nations under the financial crises. The nation is still vulnerable after the impact of the recession, which makes the consumer price-sensitive. From the primary research the authors learned that the respondents had little knowledge of wool and the positive qualities wool possesses. This threatens their expansion opportunities in the British market.
Appendix 10 - Solberg’s Nine Strategic Windows

(Solberg, 2009, p.149)
Appendix 11 - Topic guide for primary research

1. Warm-up session
   - What kind of clothes do you buy most frequently – say, over a period of a few months.
   - What kind of garments do you like to buy?
   - How important is fashion?
   - How important is price?
   - What do you think are the two most important factors to consider when you buy winter clothes? (low price, high quality, trends and fashion, comfort, technical/functional features such as .......?)
   - When you buy winter clothes, what materials do you prefer? (100% wool, fleece, cotton, other).
   - What do you associate with Norwegian clothes?

2. Show samples
   - Reactions to Dale of Norway’s clothes
     - What are your impressions? What do you like about them? What, if anything, do you dislike about them?

3. Do you think there is a market for clothes like these in England? Why do you say that?

4. Design features
   - How do you feel about the design of these clothes?
   - What do you think about the pattern?
   - What kind of colors do you usually like to wear in clothes like these?
   - If I tell you that the wool is water repellant, what would your reaction be?
   - If I tell you that the wool is windproof, what would your reaction be?
   - What is the advantage of weatherproof (windproof and water repellant) clothes?

5. Country of origin
   - If I were to tell you that these garments are produced in Norway, what would your reaction to that be?

6. Situation of use
   - In what kind of situation would you use these clothes?
Appendix 12 – The respondents in the focus groups

This appendix has been removed due to the MRS Code of Conduct.
Appendix 13 - Report from female focus group

Buying Behaviour

What kind of clothes do you buy most frequently – say, over a period of a few months.
- Depends on the season
- Warm clothes
- Comfortable clothes

What kind of garments do you like to buy?

How important is fashion?
- Fashion is very important
- Look in shops and magazines for trends

How important is price?
- Price is becoming more and more important
- We have shops as Primark now which have very low prices
- Quality for what you pay
- Usually shop at GAP, Zara, Oasis, M&S (!!), Next.

What do you think are the two most important factors to consider when you buy winter clothes?
- Clothes that looks good on you
- Quality (!!) especially when buying jackets, a piece you wear a lot
- Feel of the cloth on my skin, really important for me
- Important that it’s not too pricy
- Value for money
- Hard wearing (quality again)
- If it’s trendy clothes I’ll pay more
When you buy winter clothes, what materials do you prefer?
- Cashmere
- Wool
- Warm and soft clothes
- Want to feel wrapped up, feel comfortable in
  - Fleece (!!)
  - 100 % cotton
- I look for cotton (heavy cotton to wear all year round)

What do you associate with Norwegian clothes?
- Fish
- Skiwear, outerwear, coats
- Warm clothing
- Quality
- Normal colours as red, blue. Basic colours
- In England everyone dress differently don’t we, it does vary quite a bit
  - Wear on the mood of the day
  - Weather affects how we wear, today is a nice day so we take out our t-shirts, singlet’s and sandals

Samples

What are your impressions?
- Christmas (!!)
- Quality (!!)
- Skiwear
- Tasteful
- Feels nice
- Some are really heavy, it’s heavier than me
- Snowflakes
- Wow really heavy (mens clothes)
- Scratchy
- Very good quality, lovely quality
What do you like about them?

- Plain, like the plain ones
- Everything, can feel the quality
- Leather pockets
- Tasteful
- Like the ones with natural colour
- Weatherproof
- Beautiful
- Like the white one (men version), that is better for a women
- Looks comfortable
- Likes the ones with neutral colours
- Men like the neck (white for men)
- Gloves, like them, it’s a genius idea
- Knowing that it is waterproof is good
- Grey one is better – I could see my husband in this one, with less of patterns
- If I was a outdoor type I would consider buying them

What, if anything, do you dislike about them?

- Don’t like the feeling, too rough
- Patterns, it’s a bit much
- Old fashion, it’s is no fashion jumper
- Very “christmasy”
- All very similar to each other
- Fits older people, for a grandma, like 60 ++
- Outdoor, ski-shops, see it in ski resort
- More appealing for men
- Pink (Holmenkollen Feminine) could be sold at Next around Christmas
- Youngsters would not wear (!!)
- Not trendy enough
- Age-range, everybody is trying to look younger now
- Rough, scruffy
- It’s not actually funky
- Don’t think it would appeal to younger people
-Men clothes

**Do you think there is a market for clothes like these in England?**
- In Christmas
- Yes, in specialists’ shops
- If they are sold all in one place I think it would be a bit too much
- The snowflakes (that type of design) are narrowing down the market
Example of shops: Snow & Rock (trekking, hiking and skiing), John Lewis, Harrods, Harvey & Nichols
- Men, yes.
- Age range that would be interested, everyone.
- Only in winter
- Took the snowflakes motives of the market would be wider

*Design features*

**How do you feel about the design of these clothes?**
- The problem is the design, want plain, like black
- Darker colours for the men is best
- Natural colours for wool
- Don’t like the patterns, fits older people
- Prefer Natural colours

*Reactions to country of origin*
- Don’t really care, doesn’t matter
- If it is skiwear from Norway then it is quality!
- Do not normally shop these type of clothes
- Weather is different here

*Situation of use*

- Outwear
- Always wear a coat
- They don’t have a hood, put a hood on the big for men (heavy one)
- I wear a lot of layers instead of one big sweater
- Here we would always wear jackets because here it rains a lot

**Competitors**

- Millets
- Not any that has this quality with water resistant and weatherproof
- Ski-shops
- Department stores
- Fleece, jumper, sweater and then have something else on top
- Pringle of Scotland
- It is a niche market, and these are quite unique

**If you think that fleece and sportswear can be competitors, are there any brands you initially think of?**
- North Face
- “Edinburgh wool”

**Price**

**Bearing in mind that these are top of the range garments, what price do you think they are sold for?**
- £ 100

**What would you pay for one of these garments?**
- Up to £80, not more
- £50-60
- Under £100

**Reactions on price**
- A lot
- Could get more fashionable clothes for the same price
- Could get jackets for that price
Location

What shopping areas do you find suitable for selling Dale of Norway products?
-Central London (!!) because of the price and tourists
-Oxford street
-Red Cross (?)
-Cotsvoll
-Cornwall
-Scotland, because of the cold weather
-Kings Road would be good, in a boutique shop
-Westfield
-Covent Garden!! North face is there I think.
-Knightsbridge
-Harrods -I can see it in Harrods. I used to work there. There is nothing like this there, it’s unique. People go there to spend money
-In the west end, people are prepared to spend money when shopping there
-Sloane square

Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?
- Regent street -yes
- Oxford street -yes
- Sloane square –This is a suitable place
- Carnaby street –Not this street

What about any shopping areas /shopping centers outside of central London?
-Blue Water
-Lakeside
-Think central London is best

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?
-Better than in department stores because you can get lost in department stores
- Need a unique selling point
- Advertise what the benefits are, need to get your message out
- Target different segments within the store
- Over here I think it would be best to have a plainer section of clothes

**What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).**
- Wealthy
- Older people with high disposable income
- People wearing skiwear
- Tourists, both business and pleasure
- Outdoor people

**Summary**

**Anything else? Any last advice for Dale of Norway?**
- Sell them online: pricey, expensive
- Fits for children. But children grow out of them very quick…
- Get your message across
- Market well
- Set your unique selling point
- See the whole range as a climate range for extreme cold weather
- Mail order advertisement (people would pay more than)
- Lake District, can see people walking around with this
- Wales
- Plainer range

**Any questions?**
- Does young people like you buy and wear these type of clothes in Norway?
- I am wondering if Oxford street does not fit for this type of clothes?
Appendix 14 - Report from male focus group

Buying behaviour

What kind of clothes do you buy more frequently – say over a period of a few months?
Shirts, jeans, t-shirts, jumpers, smart but casual clothes

How important is fashion?
Fashion is very important. It is important to look respectable. Fashion is affected by trends in media and brands.

How important is price?
Price is very important and the price has to match the quality. There are many places to buy clothing (in-store and online) and it is easy to compare prices. In today’s market, one have to spend a lot of money on clothes. Internet has made it different; it is easier to find good alternatives and prices online. This especially regards expensive clothing that is supposed to last for a long time. The downside with shopping online is the delivery costs. It is important to have a look at the clothes and try them on, before buying them.

What do you think are the two most important factors to consider when you buy warm clothing?
Durability is the key most important factor. Durability reflects the quality. Also, the possibility to use the clothes at different occasions and that they have waterproof features. Qualities are important, and outdoor clothing has to be protective from the weather. Comfort is also fairly important, especially for older people. The clothing has to fit.

When you buy warm clothing, what kind of materials do you prefer?
Wool, natural stuff, breathable materials, Gore-Tex. New materials enter the market frequently, so it is difficult to choose.

What do you associate with Norwegian clothes?
Cold/extreme weather, warm clothes, well-made, durable, quality, expensive, outdoorsy. There are some Norwegian shops in Lake District with some decent stuff.

Samples

First impressions:
Heavy, warm, Christmas, cosy, conservative, lovely. Warm but not very fashionable.

What do you like about the men collection?
Warm, well made, quality, heavy, outdoor garment, like the cut/fitting, practical. Prefer the white one in particular. More country-wear, than city-wear. Don’t wear just for walking.

What do you dislike about the men collection?
The patterns look dated, only male models can wear it, not wear to the pub. Retro-1970s. Only two colours. Those without lining (not wind proof), does not look as warm.

What do you like about the women collection?
More appealing than the men’s.

What do you dislike about the woman collection?
Not adventurous, want more colours like the blue one. Retro – 1970s. Only two colours.

Do you think there is a market for clothes like these in England?
For 60-70 years old people, retired persons. A bigger market for woman than men. The women needs to be slim to fit into the clothes.

Design features

What do you think about the pattern?
The pattern look dated. Typical walkers wear, because they care about features and not fashion. Only a certain type of people would wear them. Like the white one – plain,
classic, but: corny and looks like a fisherman’s jumper. People in London would buy fleece instead.

**If I tell you that the wool is water repellant, what would your reaction be?**

Good feature! Good quality, but if the pattern was plain or dark it would be fine. Very good quality, do not need coat. Might be an option to have a hood, since it is an outdoor garment.

**If I tell you that the wool is windproof, what would your reaction be?**

Natural for golfers and good for walking. Suitable for football games. Pattern not great, but qualities are attractive.

*Country of origin*

Extreme weather in Norway, should be good quality.

*Situation of use*

Playing golf, outdoor walking, watching football, taking the kids to the park in the winter, trip to the countryside, outdoor wear. Use as a substitute for coat.

*Competitors*

The North Face, Timberland, Barber, Henry Lloyd, Pringle of Scotland, Golfinkie, Scottish shops. Would use fleece and then waterproofed jacked on top. The North Face is expensive, but timeless and good quality. Timberland is a good comparison, it is a cross over between practical and fashion.

*Price*

**Bearing in mind that these are top of the range garments, what price do you think they are sold for?**

- £ 60-70
- £ 80
- £ 100
- £ 120 (Then it is a premium type)
- £ 80 for jumpers, £ 110-120 for weatherproof

**What would you pay for one of these garments?**
- £ 80
- £ 100, because: weather proof, durability, quality, but without the patterns
- £ 60 for the women’s clothing – the items are smaller

**Reactions on price (around £150):**
- Expensive!
- Not surprised
- Would not have paid more than £ 100-120, since it is a notch below a jacket
- Have to really like it and be convinced to pay that much. Convinced about design, quality and worth the money.
- Need a feature-guarantee
- Because of the economic environment, people are very price sensitive
- Would not use/pay that much
- Water repellant is not as good as water proof
- For £ 200 one could get a water proof and a jumper
- People in countryside (farmers) may have more money or are willing to spend more on these clothes.

**Location**

**What shopping areas do you find suitable for selling Dale of Norway products?**
- Upper brands
- Posh department stores: Harvey Nichols
- John Lewis
- Ken High Street
- Bluewater
- Westfield
- Oxfordshire
- Not the city, rather Lake District
- Outdoor shops
- Harrod’s
Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?
- Regent street – good, more designer, also:
  * Bond street,
  * Marble Arch,
  * Liberty (but Liberty has more suits, shirts more younger types),
  * Lilywhites
- Oxford street – no, cheapish,
- Sloane square – definitely around there, the Sloane rangers are here and they got cottages on the countryside
- Carnaby street - no! cheap, rubbish

What about any shopping areas /shopping centers outside of central London?
- Bluewater
- Westfield
- Lake District
- Oxfordshire

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?
- It is a difficult time for buying stuff like that (expensive)
- Maybe for tourists
- People are trigged by a new brand
- If all the products are like the samples, I don’t know who they are aimed at

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists)
- Older affluent – need cash
- When the average salary in the UK is £ 26 000, then clothes to this price is a big decision for British
- Pre-kids persons
- Seasonal
- Tourists: European and American, also Japanese
  *But; tourists would rather buy traditional English and Scottish brands, like Burberry, for that price*
- Is the tourists come from colder places, they would have that kind of stuff at home
- Clothes would appeal more to continental Europe, because of price and patterns
- Not convinced about tourists, they shop for brands and trends
- More countryside clothes, but would shop them prior to a trip (i.e. in the city)
- For wealthy people
  - Over 30 years old, younger people do not have that kind of money
  - 40, 50, 60 years old, maybe younger for women

**Summary**

**Anything else? Any last advice for Dale of Norway?**
- Needs pockets
- Long zipper is best, more practical
- Online shopping, but would buy expensive clothes online
- Plain patterns will sell more
- Fits best for woman: they are more fashionable and adventurous, would buy it for their wives
- Careful research on target market, 20-50 is too much
- Young people want brands rather than warm clothing
- Pricing is important
Appendix 15 - Report from interviews

Interview with male respondent 1.

Buying behavior

What kind of clothes do you buy most frequently – say, over a period of a few months.
- I don’t shop for clothes very often

What kind of garments do you like to buy?
- I like to buy – say when I do shop I like to buy jackets, some shoes, t-shirts and knitwear. I also buy quite a lot of suits.

How important is fashion?
- Quite important.

How important is price?
- Also quite important – I don’t like things to be too expensive but I don’t like them to be too cheap either. Middle range. I like bargains.

What do you think are the two most important factors to consider when you buy winter clothes? (low price, high quality, trends and fashion, comfort, technical/functional features such as ……..?)
- Warmth and style.

When you buy winter clothes, what materials do you prefer? (100% wool, fleece, cotton, other).
- Cashmere coats, very fond of cashmere. Also kind of light – I have some kind of light puff, like quilted, nylon, they are quite warm but light. I like woolen coats, , I also got a couple of leatherjackets.

What do you associate with Norwegian clothes?
- I would expect them to be warm since they are from Norway.
Show samples

What are your impressions? What do you like about them? What, if anything, do you dislike about them?

- Water repellant, that’s quite clever, that is nice. Oh, great that one has pockets, I like pockets (Trollstein Weatherproof). I like the pattern at the top of the black sweater – It’s good for a tall man. I like that it is patted (Trollstein Weatherproof). I don’t like the arms (Isfjorden masculine) and I don’t like the logo, I don’t like names on my clothes. No matter how famous the name is, I don’t want it on my clothes.

- About the women sweaters: looks quite Norwegian, I like that they are shaped.
- Synnøve: that looks kind of old-fashioned, I could see my mother wearing that.
- Quite stylish.
- Dislike: the color range is quite conservative – particularly for the women’s clothes. If you look at clothes in the UK, people are more, I would say you need a wider range of colors. Though the winter clothes here tend to be darker. To traditional, especially if you want to target younger people.

Do you think there is a market for clothes like these in England? Why do you say that?

- Yes, but I think you are talking about middle-age, middle class.

Design features

What do you think about the pattern?

- Quite a lot of knitwear looks like this. What’s different is the windproof and waterproof nature. I don’t remember seeing much of this in the shops. That would have a windproof and waterproof quality – that is quite interesting. So it’s a little bit different so that would make me --- I like buying things that doesn’t look to radical but makes me look a little bit different.

What kind of colors do you usually like to wear in clothes like these?

- I would defiantly wear black. I also have a lot of sage green this year. I like purple. I would wear bright colors. But black and grey is good in the winter.
**Country of origin**

If I were to tell you that these garments are produced in Norway, what would your reaction to that be?

- My expectations would be that they are of good quality. I would also expect it to be a reasonably high price. But I would expect the quality to be good. Northern European things should be well-made, you know – last forever, and you pay a price according to that.

**Situation of use**

In what kind of situation would you use these clothes?

- I don’t go walking in the parks or the hills, but I suppose some people would wear it for that. For me it would be general leisure-shopping, seeing friends and having dinner. They are definitely not formal but I could definitely wear them for dinner and stuff in the winter.

**Competitors**

Can you think of any competitors?

- Remind me of clothes you can buy at John Lewis and House of Fraser. Own brand house. I don’t think they remind me of high fashion so I don’t think of any high fashion brand but I think quite reliable, high-end department stores.

If you think that fleece and sportswear can be competitors, are there any brands you initially think of?

- North Face.

**Price**

Bearing in mind that these are top of the range garments, what price do you think they are sold for?

- I would definitely expect it to be a three figures number with the first number being 1. So between £99-£110.

**Reactions on price**

- I suppose if they are weatherproof it is worth paying the extra price.
Location

What shopping areas do you find suitable for selling Dale of Norway products?
- Department stores and online

Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?
- Regent street
- Oxford street
- Sloane square
- Carnaby street

I would expect to see them in John Lewis or Selfridges in Oxford Street, but they I would expected to buy for £250. John Lewis in London is usually 15% higher in price than the John Lewis in for example Sheffield. So I’d expect to pay more down there. I wouldn’t go shopping in London for them.

What about any shopping areas/shopping centers outside of central London?
- They need to be very central. I guess oxford street or in Chelsea. Somewhere where it is fashionable.

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?
- Then their definitely segmenting a youth market.

Customers

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).
- Numerically, you both need to be attractive to people living in London and visitors. I would go for people who like sports and like country sports have big range rovers and go shooting and horseback riding.

Summary

Is there anything else you would like to discuss?
- I think magazines could be a target – in order to target younger people. Ideal for Christmas so a Christmas campaign should be ideal.
Do you have any last advice for Dale of Norway, something to take back to them?

- Target the gay market – handsome men like handsome men. There’s a big enough market for it here.

Interview with female respondent 1

Buying behaviour

What kind of clothes do you buy most frequently – say, over a period of a few months.

- Dressed, knitwear, slightly ethnic

What kind of garments do you like to buy?

- ^

How important is fashion?

- Medium to high, I see it as a way to extend my personality.

How important is price?

- Very important.

What do you think are the two most important factors to consider when you buy winter clothes?

- Warm, but also ok for indoors. How you can care for the garments. How long it is going to last

When you buy winter clothes, what materials do you prefer?

- I prefer natural fibers, but not exclusively. Wool. The most important thing is that it looks OK.

Samples

Reactions to Dale of Norway’s clothes

- They are lovely, but not really fashionable.
What are your impressions? What do you like about them? What, if anything, do you dislike about them?

- I really like the traditional design, I like the fact that they are merino, and I like the pink colour in the VM sweater (Holmenkollen Feminine). I am not so keen on the branding. I do not like things with labels.

Do you think there is a market for clothes like these in England? Why do you say that?

- Yes I think there is, but a very specific one. People might have one piece.

Design features

What do you think about the pattern?

- I really like them. But I think there is a balance between trendy and frumpy. That balance is important. The patterns can be risky if it is too much.

If I tell you that the wool is water repellant, what would your reaction be?

- That is very important.

If I tell you that the garment is windproof, what would your reaction be?

- Very important

Country of origin

If I were to tell you that these garments are produced in Norway, what would your reaction to that be?


Competition

Can you think of any competitors?

- Reggato?
- Cotswold

How about fleeces?

- I would prefer to wear wool instead of fleece, because I prefer the texture. But one of the disadvantages is that these are heavier, and I would also be concerned about the care. I would expect fleece to be cheaper.
Price

Bearing in mind that these are top of the range garments, what price do you think they are sold for?
   - I think they are really expensive. At least £80

Reactions on price

   - I can imagine that. I would definitely buy one if it was cheaper.

Location

What shopping areas do you find suitable for selling Dale of Norway products?
   - Somewhere like Harrogate, which is a town north of Leeds, it is at the start of the dales so there are many hikers there and it is also quite upmarket.
   - In Leeds: Cotwold.
   - Department stores.

Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?
   - Regent street * Definitely
   - Oxford street * At the posh end
   - Sloane square * Yes
   - Carnaby street * No, because it tends to be more retro and trendy and attracts a lot of tourists. And I don’t think they would buy that expensive clothes.

Are there any other locations you think would be suitable for this brand?
   - Kensington and the outdoorshops in Convent Garden.

Customers

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).
   - Middle-class, middle-aged, white, outdoortypes.
Interview with male respondent 2

Buying behavior

What kind of clothes do you buy most frequently – say, over a period of a few months.

- There are two types of clothes for me; the clothes I wear for work and for leisure. I buy fewer clothes than I did before but I buy better quality clothes.

What kind of garments do you like to buy?

- Jeans, casual trousers, jumpers and shirts with a color.

How important is fashion?

- I’ve always been interested in fashion. What you wear is an expression of who you are, and people judge you by your appearance. I like to dress smart and casual.

How important is price?

- Yorkshire people are known for short arms and long pockets, which mean that you can’t reach the money. I’m like Yorkshire people, price is important to me, I like a bargain.

What do you think are the two most important factors to consider when you buy winter clothes? (low price, high quality, trends and fashion, comfort, technical/functional features such as ........?)

- Design and warmth. I would also like to buy natural fabrics as well as high-performing garments.

When you buy winter clothes, what materials do you prefer? (100% wool, fleece, cotton, other).

- Natural fibers, first of all wool. However, I would be concerned whether it was going to get wet or if it is properly protected.

Show samples

What are your impressions? What do you like about them? What, if anything, do you dislike about them?
My first reaction is that Dale of Norway sounds as if it is British. If it is a real Norwegian brand I would expect not to manage pronouncing it. It is not something that it is mass-produced, which is positive.

I like the neck on the male sweaters because they all zip up nicely.

I also like the design and the fact that it is quite thick.

I don’t like the badge.

I don’t like the patterns, but I think some people do like skiers.

Do you think there is a market for clothes like these in England? Why do you say that?

I do.

**Design features**

**What do you think about the pattern?**

Personally, I prefer plain clothes without patterns. So I would not buy it for myself. But I think my wife would like them. I think she would love the blue sweater and the red one.

**What kind of colors do you usually like to wear in clothes like these?**

Grey, brown, blacks and dark blue.

**Country of origin**

If I were to tell you that these garments are produced in Norway, what would your reaction to that be?

Association of high quality as well as expensive.

**Situation of use**

In what kind of situation would you use these clothes?

For walks and leisure as well as in the winter. I like to buy something that lasts for a couple of seasons. I think they are very warm so I don’t expect to use them often, therefore it is important for me to have the opportunity to use them season after season.
In the winter I would normally wear a jumper like this and a coat. I would like something like this in my wardrobe. I would not buy it for myself, but I think someone would buy it for me at Christmas.

**Competitors**

**Can you think of any competitors?**

- Edinburgh Woolshop and traditional British knitwear. Maybe Pringle of Scotland and Shetland polo.

**If you think that fleece and sportswear can be competitors, are there any brands you initially think of?**

- I believe that woolen clothes and fleece is two different niches. I don’t think you can compare them.

**Price**

**Bearing in mind that these are top of the range garments, what price do you think they are sold for?**

- I would expect these to be expensive. I believe around £100.

**Reactions on price**

- That does not surprise me. Maybe I would pay this much if I really like it. But I would definitely buy it if it was a £100. I suppose it is worth paying the extra price for the weather proof and the windproof.

**Location**

**What shopping areas do you find suitable for selling Dale of Norway products?**

- Meadow hall, it’s the big shopping centre in Sheffield as well as arcades and a concession in House of Fraser.
- Which age range:
- Woman: all age ranges
- Men: in that price range you would sell to older people with more disposable income.
Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?

- Regent street
- Oxford street
- Sloane square
- Carnaby street

- Sloane square because it is upmarket.

What about any shopping areas/shopping centers outside of central London?

- Upper-market chain stores. Like House of Fraser.

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?

- I wouldn’t be surprised at all. I believe that it is important how they present themselves. The concept store should appeal to younger people. Young people do not care about keeping the cold out, like older people like me do. So they would buy it because it is fashionable and older people would buy it because it keeps the cold out.

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).

- I would think Japanese tourists.
Interview with male respondent 3

Warm-up session

What kind of clothes do you buy most frequently – say, over a period of a few months.
- Since I work in an office; suits, shirts. For outside of the office: Jeans, polo-shirts, fleeces.

What kind of garments do you like to buy?
- I like walking, so I tend to buy fleeces or jumpers for when I am walking in the hill.

How important is fashion?
- Not important. I like to look smart and stylish, rather than fashionable.

How important is price?
- Medium. I would rather pay for quality, than get something that would not last very long.

What do you think are the two most important factors to consider when you buy winter clothes?
- Quality, and the ability to withstand rain and wind.

When you buy winter clothes, what materials do you prefer?
- It depends. I tend to wear layers. Good breathable outer layer, but something warm underneath, and perhaps a merino vest or something.

Samples

Reactions to Dale of Norway’s clothes
- Very nice.
- There is a Scandinavian television series (“The Killing”). and it is now called the “Lund-effect” because it is these types of jumpers the lady detective wears, so it has been in The Times and the Daily Telegraph these last few weeks. They are actually catching on your fashion.
I like this one (Trollstein Weatherproof). If I am walking I will wear that, and if I am at the pub in the evening I would wear the white sweater (Henningsvær).

What are your impressions? What do you like about them? What, if anything, do you dislike about them?

I like that. But I have children at the university and I think that they would be interested in something brighter. It might be a bit glum for them.

For a lady that blue sweater (Gullfjell weatherproof) is nice.

Do you think there is a market for clothes like these in England? Why do you say that?

Yes I do. Lately there have been a number of stores opening in Leeds and in the rest of the country – a lot of outdoor stores. And this meets a need that is not there (in the stores) yet – quality. That is not supplied at the moment. This is good quality, and in the stores they mostly sell fleeces – North Face types. It depends on the price but this would probably be a very nice market niche.

Design features

How do you feel about the design of these clothes?

The make looks good, the fit looks good, and that counts a lot. I like the bits and buttons. Skiing pickings up, so sponsors of the world championship is good (looking at tag). It has got a nice weight. The lining is nice. Cardigans are popular, so this is good (Trollstein weatherproof). The pocket is very handy for my phone (Trollstein Weatherproof).

What do you think about the pattern?

This is a cyclic thing – I remember seeing these in the 80s, and it is probably coming back now. I think that younger people might want something brighter.

If I tell you that the wool is water repellant, what would your reaction be?

I would not buy it if it was not. It is all about layers. If there is a drizzle in the morning you do not want to put a coat on, you would just like to walk out in that. So that is a very good thing.

If I tell you that the garment is windproof, what would your reaction be?
That is ideal. It is good for walking the in the hill or taking the dog for a walk. It saves you buying another jacket to carry with you. When you walk you do not want to carry too much.

**Country of origin**

If I were to tell you that these garments are produced in Norway, what would your reaction to that be?

- I think that is a good selling point. It is fit for its purpose, because Norway has more extremes for weather than the UK. Better against moisture, wind and snow. So I think that would be a very good thing.

**Situation of use**

In what kind of situation would you use these clothes?

- You would not wear this for skiing, but you would wear it under things when you go skiing.

**Competition**

Can you think of any competitors?

- Against this it would be things like North Face. The mountaineering people, like Salmon etc.

If you think that fleece and sportswear can be competitors, are there any brands you initially think of?

- I think it is a different niche, because fleeces used to be expensive but now it is quite cheap.

**Price**

Bearing in mind that these are top of the range garments, what price do you think they are sold for?

- £150

What would you pay for one of these garments?

- £150
Reactions on price

- Reasonable.

Location

What shopping areas do you find suitable for selling Dale of Norway products?

- Harvey Nichols, House of Fraser. You would not want it in the medium market stores. It would be a niche market. Ski-shows, outdoor pursuit shows. They will pay for quality, because they know that they are going to use it. Farmers shows that do everything – tractors, you might find farmers who want things like these because it is windproof, weatherproof.

Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?

- Regent street * Yes
- Oxford street * No - medium to low market
- Sloane square * Yes
- Carnaby street

Are there any other locations you think would be suitable for this brand?

- Arcades of Piccadilly, very niche. In Leeds; places like Victoria Quarter, the people who go there have got the money to spend on this.

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?

- I think that would be very good. Very good. I would probably compete with things like O’Neill as well.

Customers

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).

- Socio-economic groups A and B. Professionals with disposable income, probably earning £50,000 – £70,000 a year. Or aspiring professionals (£30,000 - £50,000 a year) who want to show that they have good quality goods. The sort of people who would buy Gucci, the sort of people who goes to Harvey Nichols. Aspirational and established wealth.
Maybe business tourists. But shopping tourist tends to want to buy British products when they come to the UK. Burberry as an example. That sort of thing.

London is multinational, so the people who live there would buy this sort of thing. We have the weather for it. Wet and damp all the time.

**Interview with male respondent 4**

**Warm-up session**

What kind of clothes do you buy most frequently – say, over a period of a few months

- For work I wear relatively formal clothes – suit, shirt, tie, or smart trousers, shirt, tie and a jacket. For leisure I tend to wear jeans, polo shirts, and occasionally a jumper.

What kind of garments do you like to buy?
- I do not like to go shopping

How important is fashion?
- Not important. Never has been really. I like to look smart, but I do not particularly worry about keeping up with the latest fashion. But when you go to a shop, the clothes that are presented to you are the latest fashion.

How important is price?
- I would tend to look into sales than my wife does. Most of my suits are discounts. Like TK-Max (?). Price itself is not a great factor, if a saw something I liked price would not be that important. It is a case of balance. I would not go out and by the latest designer fashion at full price.

What do you think are the two most important factors to consider when you buy winter clothes?
- Quality. A balance between quality, price and functionality. Function in relation to the cold weather.

When you buy winter clothes, what materials do you prefer?

**Samples**

**Reactions to Dale of Norway’s clothes**

- I like the fabric.

**What are your impressions? What do you like about them? What, if anything, do you dislike about them?**

- Nice. I like the contemporary style on the black jackets. I like the zipper. I do not like the “cable-style” on the white sweater (Henningsvær). I do not like very heavy clothing.

**Do you think there is a market for clothes like these in England? Why do you say that?**

- Yes. Potential market there. Scotland might be more relevant.

**Design features**

**How do you feel about the design of these clothes?**

- I like the fabric.

**What do you think about the pattern?**

- I am not into patterns. I like plain clothes. I like the more understated style.

**If I tell you that the wool is water repellant, what would your reaction be?**

- It is relevant in Britain. But you may find that these would sell better in the North of England. In the kind of weather that we have; often windy and drizzle, you have to decide what you are going to wear. Having something that is weather proof is good. That would be quite useful.

**Country of origin**

**If I were to tell you that these garments are produced in Norway, what would your reaction to that be?**

- Norway has a positive reputation. A reputation of quality. But pricing would be an issue, since Norway is quite expensive.
**Situation of use**

**In what kind of situation would you use these clothes?**

- Primarily outdoors, where the weather is not very bad, but intermediate. In the touch line of football pitches. Semi-casual sporty situation, where you need warmth but do not want to be too constricted. Walking when the weather is not too bad. I would not wear them when I am going to be inside a lot.

**Competition**

**Can you think of any competitors?**

- My knowledge of brand is not at all good. Maybe Berghaus and Reggato, clothing that you wear for mountaineering expeditions and serious walking.

**Price**

**Bearing in mind that these are top of the range garments, what price do you think they are sold for?**

- Quite expensive. Not sure.

**What would you pay for one of these garments?**

- £100 – £200

**Reactions on price**

- If they are marketed in a good way I could see that working.

**Location**

**What shopping areas do you find suitable for selling Dale of Norway products?**


**Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?**

- Regent street
- Oxford street
- Sloane square
- Carnaby street
Not sure

Are there any other locations you think would be suitable for this brand?
  - Where people with money go shopping. Where there is a cluster of high price, high quality stores.

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?
  - The sensible thing to do is to test the market in London. Trying out in Edinburgh – George Streets – after that.

Customers

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).
  - I would have thought primarily 30+. Financially well positioned. Golfers. Reasonably active people. If it became a niche – younger people who like the style.
Interview with female respondent 2

Warm-up session

What kind of clothes do you buy most frequently – say, over a period of a few months.
  ❖ On a day to day basis I would choose a business suit or a dress and jacket. Usually purchased from the high street

What kind of garments do you like to buy?
  ❖ If I did not have to come to work – casual sportswear. But I like to wear brightly coloured clothes made from natural fibers. Or a technical fiber, e.g silk mix

How important is fashion?
  ❖ Quite important. I am 52, so I do not feel like I can be right at the leading edge of fashion. But I like to follow trends, so I buy my clothes from the high streets. I tend to pick up the trends there. And I have a fifteen year old daughter who influence me.

How important is price?
  ❖ Important. But I am prepared to pay a bit more for a good fabric or a good coat. And if the outfit is for something in particular I would go higher than a mid range item. I ski (down-hill) quite a lot and for my winter clothes I pay quite a lot. More than for my work clothes.

What do you think are the two most important factors to consider when you buy winter clothes? (low price, high quality, trends and fashion, comfort, technical/functional features such as …….)
  ❖ For work, day-to-day-clothes: technical capabilities. Flexible. The way they look and feel.

When you buy winter clothes, what materials do you prefer? (100% wool, fleece, cotton, other).
  ❖ Natural fabrics. I tend to prefer a mix. Wool/cotton mix.

Show samples
Reactions to Dale of Norway’s clothes

- Gullfjell weatherproof: that is nice, nicely constructed.
- Holmenkollen feminine: I love that one and the pink details.
- Synnøve: to wear with jeans etc. not out when skiing. But out and around.
- Henningsvær: I really like this one for a man..

Do you think there is a market for clothes like these in England? Why do you say that?

- It would depend on the price and which stores you can get them into. The price might require that they are sold in high price stores.

Design features

What do you think about the pattern?

- Quite like it

What kind of colours do you usually like to wear in clothes like these?

- More feminine colours.

If I tell you that the wool is water repellant/windproof, what would your reaction be?

- Very important for the price and as a skiing item.

Country of origin

If I were to tell you that these garments are produced in Norway, what would your reaction to that be?

- Good quality, but expensive.

Situation of use

In what kind of situation would you use these clothes?

- After activities/in the evening. People use more technical clothes during the activity, and pop one of these on afterwards.
**Competitors**

**Can you think of any competitors?**
- Not with this design. American company called Spider. Helly Hansen.

**If you think that fleece and sportswear can be competitors, are there any brands you initially think of?**
- Poly-tech products. I look at this (wool) as something more traditional.

**Price**

**Bearing in mind that these are top of the range garments, what price do you think they are sold for?**
- £150

**What would you pay for one of these garments?**
- £150 (more for the windproof)

**Location**

**What shopping areas do you find suitable for selling Dale of Norway products?**
- Snow and Rock, Sheffield. Department store as a seasonal thing.

**Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?**
- Regent Street – in the department stores. Concept store.
- Oxford street – maybe. If concept store
- Sloane Square – maybe. If concept store
- Carnaby Street - No

**If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?**
- That would be interesting. If they sell the whole range.

**Customers**

**What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).**
- People who are active/interested in the outdoors. People with a large amount of disposable income. Who would want to pay for quality and looks as well as functionality.

Not sure about tourist. Maybe people coming to London, who are not going to Norway.
Wide range in age. I could see my 18 year old daughter wear them, and I would wear them. Wide appeal.

**Interview with female respondent 3**

**Warm-up session**

What kind of clothes do you buy most frequently – say, over a period of a few months.
- Usually, cheap ones. I don’t spend too much on clothes.

What kind of garments do you like to buy?
- Easy to look after, I don’t like ironing. And I also like things that are comfortable to wear.

How important is fashion to you?
- Reasonably important. I don’t want to look outdated or old-fashioned. I like to look to smart and reasonably fashionable.

How important is price?
- I tend to go for lower prices. Occasionally I will buy myself more expensive things for a treat or because I like it.

What do you think are the two most important factors to consider when you buy winter clothes? (low price, high quality, trends and fashion, comfort, technical/functional features such as ……..?)
- Comfort and color.

When you buy winter clothes, what materials do you prefer? (100% wool, fleece, cotton, other).
Soft and washable materials. I buy a lot of woolen materials and sometimes fleece.

Show samples

Reactions to Dale of Norway’s clothes

- Synnøve: I like that one and the borders on it. However, I’m worried about the care. I see they are washable that’s good.

I can tell that they are good quality. Lovely products and they are nice to feel.

Henningsvær: like the lace effect.

Do you think there is a market for clothes like these in England? Why do you say that?

- Yes, but I think it’s for younger people. I would tend to associate most of them with a particular type of person, a sporty person and a person who goes a lot of outdoor and hikes. Age range: 20-30

Design features

What do you think about the pattern?

- I don’t like the pattern, it is too wintery in style.
- The ski-pattern is not something I tend to go for. I like the less patterned ones. However, I like the white one (Synnøve).

What kind of colors do you usually like to wear in clothes like these?

- A range, the color. I like neutral as well as bright colors.

If I tell you that the wool is water repellant/windproof, what would your reaction be?

- I’m surprised that it is water repellant. But the fact that it is water repellant and windproof is a plus when buying.
Country of origin

If I were to tell you that these garments are produced in Norway, what would your reaction to that be?
- Adds to the impression of the Norwegian labels, I associate Norway with quality and that it is produced there should be emphasized. There are so much clothing made in the Far East that is not quality.

Situation of use

In what kind of situation would you use these clothes?
- I would use them on a chilly spring/summer day rather than a jacket.

Competitors

Can you think of any competitors?
- I have seen similar clothes. But I don’t know if they offer the same benefits when it comes to quality and such a nice line. I could see them sell this type of clothing at Marks and Spencer.

Price

What would you pay for one of these garments?
- I would expect to pay between £40-£50.

Reactions on price.
- Wow, it doesn’t surprise me, because it is clearly a high quality product.

Location

What shopping areas do you find suitable for selling Dale of Norway products?
- At that price I would see them in designer areas and high quality department stores.
- In airport shops, here you get high quality products as well as people with money.
- Particular tourist places – for example York, where you attract a certain demographic – people with money.
- Deans gate in Manchester
Which of these shopping areas do you believe is most suitable for selling Dale of Norway products?

- Edinburgh
- Stratford
- Should offer their clothing online

If I were to tell you that Dale of Norway is planning to open a concept store in London, what would your initial reactions be?

- Yeah, I could defiantly imagine that.

Customers

What are your thoughts on who the customers would be? (British, tourists, shopping tourists or business tourists).

- Business tourist, shopping tourists, and British.
Appendix 16 – Trade shows

Gesteland suggests trade shows, trade missions and chamber of commerce as good ways of reaching out to potential customers and partners (2009 p.282). These are some interesting trade shows that Dale could benefit from participating in:

Slide

www.slide.co.uk
Aimed at action sport and street wear retailers. The website recommends street wear, outdoor and sport retailers to attend. The trade show is normally in February each year, in Manchester or Telford.

Metro ski and snowboard show

www.metrosnow.co.uk
This trade show is the largest consumer winter sports show in the world, and is held in London. The show had 35 000 visitors in 2009, and the average visitor was 31 years old. 94% of these were ABC1, which is the primary target of Dale, based on socio-cultural dimensions. In 2011, the trade show is held 19-23 October in Earl’s Court in London.
Appendix 17 - Illustrations of Samples

BOGSTAD

- Feminine fitted sweater knit with skinsoft medium-weight Merino.
- Exquisite details include a beautiful zipper pull and embroidered ribbon.
- Neck lined with fleece for softness and comfort.
- Machine wash.

VALLE

- Feminine cardigan knit with soft Norwegian Daletta yarn.
- Medium-weight sweater.
- Exquisite details with unique pewter buttons, velvet and decorative details.
- Neck lined with fleece for softness and comfort.
- Hand wash.
SYNNØVE

- Feminine fitted cardigan with hidden clasps.
- Knit with medium-weight Norwegian Daletta yarn.
- The neck is lined with soft fleece for comfort.
- Machine washable.

HOLMENKOLLEN FEMININE

- Feminine sweater with ¼ zip
- Knit with Daletta yarn.
- Machine wash
GULLFJELL WEATHERPROOF

- Feminine Weatherproof sweater with ¼ zip.
- Knit with NanoTech treated Norwegian Heilo yarn making the sweater completely water and soil repellent.
- Details include drawcord for a comfortable fit, fleece lined neck for comfort and zippered pockets.
- Hand wash

ISFJORDEN MASCULINE

- Masculine sweater knit with heavy-weight Norwegian Heilo yarn.
- Zipper pocket in left arm.
- Hand wash
TROLLSTEIN WEATHERPROOF
- Classic Weatherproof jacket with full zip.
- Knit with NanoTech treated Norwegian Heilo yarn making the sweater completely water and soil repellent.
- Details include drawcord, zippered pockets and lined neck is with fleece for comfort.
- Hand wash

HENNINGSVÆR
- The Henningsvær design is a classic cable knit sweater with ¼ zip.
- Knit with our heavy-weight Heilo yarn.
- Hand wash